

Indiana Math and Science Academy North
7435 N. Keystone Avenue
Indianapolis, IN 46240

We transform communities' one mind at a time with real world engagement and continue to inspire generations, proven by 15 years of results through a STEM-focused education that successfully prepares students for tomorrow.

Onder Secen, Principal

Dr. Kent Millard – President, Board of Directors

Current Grades Served	Current Enrollment	Grade Span for Next Charter Term	Maximum Enrollment for Next Charter Term
<i>K-12</i>	<i>552</i>	<i>K-12</i>	<i>682</i>

Executive Summary

Indiana Math and Science Academy North (IMSA North) is a Public Charter school located in Washington Township serving Indianapolis youth. We serve students in grades K-12 with approximately 550 students in 2016-2017 school year. IMSA North is managed by Concept Schools, a successful not-for-profit charter school management organization. Replicating the successful Concept Model with a STEM focused college preparatory curriculum, IMSA North has grown from 400 students in 2010 to its peak enrollment of 696 students in 2015. As we reduced the number of our buses our enrollment has gone down accordingly.

We have an extended school year with 185 school days and eight instructional periods during the day. We provide two periods of math and english instruction to all of students in grades K-8. Our small class sizes are averaging around 22 students per classroom. IMSA North was recognized as an exemplary school in 2011.

Our student demographics is around 70% African American, 15% Hispanic and 9% Multiracial and 6% White. Starting with 2016-2017 school year we started offering free breakfast and lunch to all of our students because of high percentage of students who are eligible for free and reduced lunch.

IMSA North had its first graduates in 2015 with 24 students. Our four year official cohort graduation rate was 88.9% for 2014-2015 school year. For 2016-2017 the graduation rate was 87%. We are proud of our senior classes receiving more than 90% college acceptances for the last two years. The high graduation rate and the colleges our seniors are accepted are a testament to the great work IMSA North staff has done with our students.

IMSA North had the following grades in its report card.

2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
A	B	A	B	B*

* Hold harmless based on 2013-2014 results.

IMSA North had a successful first seven years. Our Board of Directors and our management company Concept Schools are fully dedicated for the success of IMSA North. The Board of Directors of the IMSA North respectfully requests approval of this charter renewal application for another seven years 2017 through 2024. This approval will allow the IMSA North to continue its record of success in serving the children and their families in Indianapolis.

To address progress made in areas of deficiency of Core Question 1.2 IMSA North stated:

Between 2010 and 2014, an average of 69.95% of students at IMSA North made sufficient gains, right on the 70% benchmark. Our average went down to 66.6% as a result of the 2014-2015 scores.

When we look at the new test format for 2014-2015, we realize that there is more emphasis on open ended questions, multi-step problems, and denser texts. When we checked the skills of our students, we realized that we were not requiring our students to break down, identify and show evidence as they were answering those open ended questions.

When we analyzed the new Indiana Standards, we also realized that our curriculum would need to shift emphasis more from fiction to nonfiction in tandem with dense reading.

To address these deficiencies and subsequent decrease in ISTEP scores, our school is doing the following, starting with the 2015-2016 school year:

- Purchased the My Math Curriculum for grades K-5 in 2015-2016 school year.
- Purchased Houghton Mifflin Harcourt Collections Curriculum for grades 6-12 in 2015-2016 school year.
- Purchased and used Measuring Up to give students the opportunity to practice standards and see questions in an ISTEP+ format starting in January 2016.
- Starting from January 2016, a Friday Night School Program was implemented in which students practiced skills and did test preparation in small group settings.
- While we were analyzing the NWEA data before, beginning with 2015-2016 school year, our teachers started creating a six week data action plan that includes reteaching or reviewing what they incorporate into their lesson plans. This data plan allows teachers to push the rigor in their classroom by meeting individual students' needs.
- Created an RTI program in 2015-2016 for students who did not pass ISTEP+ in the 2014-2015 school year.
- Raised awareness of the new ISTEP+ released sample questions and made sure they are part of the formative assessments used in the classrooms.

We are currently waiting for the 2015-2016 ISTEP school report card to be released in order to adjust our plan. In addition to the steps above, we also started to implement the following additional items in the 2016-2017 school year:

- Purchased Houghton Mifflin Harcourt Journeys Curriculum for grades K-5 in 2016-2017.
- Set a goal for increasing administrative classroom visits by 25% to support the teachers in implementing the curriculum.
- Created "Team Leader" positions to create mentors for the new teachers and a support system for the veteran teachers.

With the increased awareness of ISTEP+ and all the measures above, we expect to "Meet Standard" by the 2018-2019 report card.

To address progress made in areas of deficiency of Core Question 1.3 IMSA North stated:

Although we were not able to meet the 70% / 80% benchmark, the scores clearly show that students who remain at IMSA North for longer periods of time show increased proficiency. In 2013-2014, nearly 75% of students that were with us for at least three years were proficient in ISTEP+, whereas only 65.5% of students who were with us 2 years were proficient. That is an increase of close to 9% between students who were with us for two years in comparison to three years. A similar trend was seen the following year. We were “At Standard” in the 2013-2014 school year, and while we still showed a similar trend in 2014-2015, fewer students were proficient due to the new more rigorous ISTEP+ in 2015-2016. The proficiency between students with us for 2 years to 3 years increased close to 6% in 2015-2016. We recognize that overall proficiency is still below the 70%/80% benchmark.

We believe the lower scores are a result of our curriculum not being aligned with the new state tests as well as a lack of understanding of the rigor and the types of questions presented in the new state tests.

To address these deficiencies, starting with 2015-2016 school year, we have updated our curriculum, raised awareness of the new ISTEP+ through PD, classroom observations, and providing more mentoring and coaching support to the teachers.

We are currently waiting for the 2015-2016 ISTEP school report card to be released so we can adjust our plan. We expect to “Meet Standard” by the 2018-2019 report card.

To address progress made in areas of deficiency of Core Question 1.5 IMSA North stated:

The student attendance rate remained strong from 2011 until 2013. Between 2013 and 2015, the attendance rate fell from 95% to 94%. We attribute this drop to an oversight by the administration in contacting parents during those time periods. During the 2015-16 school year, the administration conducted a comprehensive campaign to identify those students who were habitually absent. The administration contacted the parents by phone and registered mail or through home visits to inform them of the issue and the possible results of the high number of absences. The result of this campaign was an increased attendance rate of 95.4%. Through the continued proactive use of communication with parents, Department of Child Services, and truancy officers, we will maintain an attendance rate of 95% throughout the next charter term.

To address progress made in areas of deficiency of Core Question 1.6 IMSA North stated:

When we look at the new test format for 2014-2015, we realize that there is more emphasis on open-ended questions, multi-step problems, and denser texts. When we checked the skills of our students, we realized that we were not requiring our students to break down, identify, and show evidence as they were answering those open ended questions.

When we analyzed the new Indiana Standards, we also realized that our curriculum would need to shift emphasis more from fiction to nonfiction in tandem with dense reading.

To address these deficiencies and subsequent decrease in ISTEP scores, our school has done the following starting with 2015-2016 school year:

- Purchased the My Math Curriculum for grades K-5 in 2015-2016 school year.
- Purchased Houghton Mifflin Harcourt Collections Curriculum for grades 6-12 in 2015-2016 school year.
- Purchased and used Measuring Up to give students the opportunity to practice standards and see questions in an ISTEP+ format starting in January 2016.
- Starting from January 2016, a Friday Night School Program was implemented in which students practiced skills and did test preparation in small group settings.
- While we were analyzing the NWEA data before, beginning with 2015-2016 school year, our teachers started creating a six week data action plan that includes reteaching or reviewing that they incorporate into their lesson plans. This data plan allows teachers to push the rigor in their classroom by meeting individual students' needs.
- Created an RTI program in 2015-2016 for students who did not pass ISTEP+ in 2014-2015 school year.
- Raised awareness of the new ISTEP+ released sample questions and made sure they are part of the formative assessments use in the classrooms.

We are currently waiting for the 2015-2016 ISTEP school report card to be released in order to adjust our plan. In addition to the steps above, we also started to implement these additional items in the 2016-2017 school year.

- Purchased Houghton Mifflin Harcourt Journeys Curriculum for grades K-5 in 2016-2017.
- Set a goal for increasing administrative classroom visits by 25% to support the teachers in implementing the curriculum.
- Created "Team Leader" positions to create mentors for the new teachers and a support system for the veteran teachers.

We incorporated some of these changes late last year and at the beginning of our current 2016-2017 school year. We expect to see our scores increase for 2016-2017 school year and be able to meet this standard by 2017-2018 school year.

To address progress made in areas of deficiency of Core Question 1.7 IMSA North stated:

IMSA North had a 54.9% and 51% NWEA growth in 2013-2014 and 2014-2015. This was lower than the expected 60% benchmark. One of the factors for this performance was the lack of student buy in to taking NWEA tests. We increased our efforts to motivate students through incentives, pep rallies and had students set goals for themselves. With this increased effort our students met their NWEA growth targets in 2015-2016 school year with 60.06% in Math and 60.27% in Reading. We will continue helping students set their own goals and provide incentives for students so they put their best effort forward during the test.

Our second goal was to decrease the percentage of non-proficient students by 10% according to their ISTEP+ scores. We replaced that goal with an NWEA goal. Now our two goals for this core question are 60% of students making normal gains on NWEA Math and 60% of students making normal gains on NWEA Reading. Since we met those goals in the 2015-2016 school year, with a similar focus and effort, we believe that we will meet the same goals for the next charter term.

To address progress made in areas of deficiency of Core Question 2.1 IMSA North stated:

IMSA North was not able to meet standard on two sub-indicators for 2.1 Short-Term Health.

February Enrollment Variance

In the 2014-2015 Accountability Report, the school had 90% February Enrollment Variance. This rate was 99% in 2015-2016 school year.

In 2014-2015 school year, the school didn't advertise nor dedicate extra resources for enrollment efforts. With a transient student population, our enrollment variance was at 90% in 2014-2015.

In recognizing this deficiency the school expanded its efforts to enroll students throughout the 2015-2016 school year. In 2015-2016 school year the school hired a Student Recruiter and expanded the marketing budget. A strategic, year-round, student recruitment effort has been established and bi-weekly goals set for ongoing student recruitment. This plan included engagement with the non-IMSA North population in Indianapolis via the following activities:

- Using more advertising tools such as TV and Radio advertising
- Sending postcards and brochures throughout the year
- A stronger social media presence, utilizing Facebook and Twitter
- An enhanced website that includes an online-application tool
- Utilization of yard signs for parents to demonstrate pride in their enrollment choice at IMSA North
- Utilization of car window clings for parents to demonstrate pride in their enrollment choice at IMSA North
- A deliberate presence at neighborhood events and local festivals to distribute information about IMSA North's programming
- The development of a Parent Partners program, providing structured time for the Student Recruiters to train parents on being ambassadors for potential students in the community
- Additional print material was developed to assist potential families in understanding what IMSA North has to offer students who enroll
- A more strategic billboard campaign was developed in conjunction with a marketing firm

As a result of these efforts, the school met this sub-indicator by 99% in 2015-2016 school year. With similar efforts this year, we hope to maintain a similar ratio in 2016-2017 school year.

Days Cash on Hand

On the 2014-15 Accountability Report, the school failed to meet the requirement of having 45 days of cash on hand. As of June 30, 2015 audited financial statements, IMSA North had 30 days cash on hand (cash expenses divided by 365). As of June 30, 2016 YTD unaudited financial statements, IMSA North had 36 days cash on hand, higher than 2014-2015 school year.

The Superintendent, Treasurer and the Principal closely monitor the budget in monthly meetings, so there is minimal cash based variances from the budget. As a result of these meetings, line items in the budget are adjusted so we avoid any unexpected drops in the cash reserves. This process enables the

school to increase the cash reserves. Our management company, Concept Schools is willing to provide a line of credit for the school when there is a financial need by the school.

With our tight monitoring and careful spending, we expect to have 45 days cash in hand by the end of 2017-2018 school year.

Days Cash on Hand	When
6 Days	2013-2014
30 Days	2014-2015
36 Days	2015-2016
40 Days *	2016-2017
45 Days *	2017-2018

* Expected

To address progress made in areas of deficiency of Core Question 3.2 IMSA North stated:

As indicated in the summary report, there was a change of Superintendent and Principal during 2013-2014 and early 2014-2015 school years. Once the transitions took place, the documents were submitted on time. The superintendent hired an administrative secretary in 2015-2016 that does the reporting for all the schools and that position is still fulfilled by the same person. Although the Principal changed in July 2016, the reporting process remained the same and all document submissions have been timely. We expect to meet standard for the next contract term as well.

To address progress made in areas of deficiency of Core Question 3.3 IMSA North stated:

The board of directors oversees all three IMSA schools. The President has been in this position since IMSA's inception. Although the board has had a turnover in members, the board has continued to stay in alignment with the school's goal of preparing students for college. The ongoing board training was not enough to make sure the board understood compliance with IODL. After receiving the deficiency letter from the Mayor's Office, the board stepped up its compliance with IODL and started working with a consulting company to prove the ongoing board training and consultation.

Upon the recommendation of the Mayor's Office, IMSA North's board of directors signed a contract with Board on Track, an external charter school board consultant firm on August 3, 2015. One of the first services that they provided was training with a personal governance expert, throughout the year, with regularly scheduled coaching calls and professional development exercises. Board chair and superintendent attend these calls on a regular basis. The Committee chairs also participate in these calls to help in setting goals for the school and board governance. These calls are on as needed basis and may occur more often.

In compliance with IODL, IMSA North has been consistent in posting the board meeting schedule as well as the meeting agenda since the start of the 15-16 school year. We will continue to maintain this policy. In addition, we are making sure that all board business is being held in accordance with the Indiana Open Door Law. We also store the minutes and related documents in Board on Track software. Board meeting notices and agendas are posted at each school at least one week prior to the meeting.

In an effort to add new directors with broad and varied skill sets, Dr. Millard created an account with volunteermatch.org in October 2015. During the first two months, there were 22 people that showed an interest in joining the board. However, after several open houses and interviews (10/20/15, 11/6/15 and 11/23/15), none were able to move forward for various reasons.

Each board member is committed to recruiting and recommending a potential board member candidate to the board by the end of the 2016-2017 school year.

School leadership and board will actively work on recruiting parents with a background in legal, marketing, facilities, and/or financial expertise to the board.

Board on Track recommended creating two Board committees; Finance and Academic Excellence. These committees have been created in 2015-16 school year and are working effectively. This has changed the discussion format of the meetings and therefore making them more productive. IMSA will obtain the required standard by continuing with the Coaching calls with Board on Track and arranging for other training necessary as needed for issues related to academic and financial oversight.

To address progress made in areas of deficiency of Core Question 3.4 IMSA North stated:

At the end of the 2014-2015 school year the Board of Directors had not created a formalized evaluation process for the management company, Concept Schools. This was an important item that was lacking in the board process. This became a priority for the members to come together and develop a process.

The Board of Directors, with the support and guidance from the outside consulting company, Board on Track, reviewed and evaluated several examples of evaluation tools and put together an evaluation survey for Concept Schools. It was used at the end of the 2015-2016 school year, and the results were submitted to the Mayor's office. This survey will continue to be used annually.

The Board of Directors also recognizes the lack of board specific goals. During 2016-2017 school year, the board will come up with a set of board specific goals and annually evaluate its own performance based on those specific goals. Once these board specific goals are created, we should meet the requirements of this core question by the end of 2016-2017.

To address progress made in areas of deficiency of Core Question 3.6 IMSA North stated:

Our goal was to have 70% club and tutoring attendance. In the 2015-2016 school year, this number was 66%, very close to our goal of 70%. Some students could not stay after school due to transportation challenges. This year we will have clubs once a week for all students during school hours at the end of

the day so all students can participate in a club activity. We will still promote after school tutoring so we should be able to meet this goal for 2016-2017 school year. In 2015-2016, 34% of our students received a home visit, meeting our 20% goal. Each teacher is required to make **eight** home visits per contract and it is an established school culture at IMSA North. We started doing home visits during the summer of 2016. Ten home visits were logged in the first two weeks of the 2016-2017 school year. We believe we will be able to meet this goal in the next contract term as well.

To address progress made in areas of deficiency of Core Question 4.5 IMSA North stated:

The sixth year charter review by the Mayor's office determined that the school had a well-defined hiring process, the faculty and staff deployment was adequate, professional development was adequate and catered to the needs of staff and a well-defined and executed teacher evaluation plan was in place. The site visit determined that 84% of our teaching staff was licensed and teaching in the areas they were trained in. The report recommended that we have official mentors assigned to the new teachers.

For the 2016-2017 school year, we started the hiring process earlier in April and we participated in job fairs. We not only used the DOE website for job posting, we also used indeed.com, Craig's List and posted in various internal college job listings. As a result we were able to hire teachers with proper credentials. We believe that our current percentage of teachers who are licensed to teach the subject they are trained in is 91%, including several pending applications with the IDOE.

The sixth year review suggested that the school assign official mentors to each new teacher in the building. Starting with the 2016-2017 school year, we assigned official mentors for new teachers. The mentors will observe the mentee once every other week and meet at least monthly. With these additional measures we believe we will be able to meet this standard in the new charter term.

To address progress made in areas of deficiency of Core Question 4.7 IMSA North stated:

The site visit by the Mayor's office found that while IMSA North posted classroom and school expectations, they were not being followed consistently from class to class. To address this concern, the administration has taken steps to help build a school culture that fosters positive feedback and positive actions. In the 2015-2016 school year, the administration created a PBIS committee to help improve the atmosphere in the classrooms and the halls. By working with the teachers on the committee the team was able to identify areas that they felt were the most important to address. Creating a matrix centered around five (5) major areas of concern, the team was able to identify actions that all administration and faculty were looking for in the school. From this matrix base expectations were created and PBIS team members took this information back to the grade level meetings and created lessons that will be presented during the first week of school in 2016-2017 school year. Through redirection and review, teachers will be impressing to the students the proper ways to enter and exit the classroom.

Grade level teams always met weekly to address any concerns that they had with students in the classroom. With Positive Behavior Interventions & Supports (PBIS), each teacher will be creating classroom procedures that would center around the core goals of the PBIS team. The teachers will operate on a plan that would give the students chances to identify where the problem was and self-

correct. Should the student refuse, the consequences will progressively increase, yet still let the student self-correct. Prior to the administration taking action, the issue will be brought to the attention of the grade level team. The grade level team, as a whole, will meet with parents and their students to address the issue and determine a course of action that would be beneficial to all parties.

Surveying the staff members, teachers stated that they would rather prefer someone else to hold lunch or afterschool detentions so teachers can use that time for lesson planning or tutoring. Considering their feedback starting with 2016-2017 school year, we started schoolwide after school detentions to free up teachers' time so they can spend more time with students or prepare more engaging lessons.

With these additional measures we plan to meet this standard by the end of the 2016-2017 school year.

Plan for Sustained Success and Continuous Improvement

In applying for renewal, Indiana Math & Science Academy - North is required to describe how the school will sustain success and continue to improve over the next charter term. IMSA N. responses have been written to demonstrate that the school is planning carefully and strategically for the future and has the capacity to achieve long-term success.

Section B: Sustainability and Improvement

IMSA North, one of three schools in the IMSA district, sustains an agreement with Concept Schools which serves as their management company. Concept Schools manages a network of 30 schools across seven Midwestern states.

IMSA North was established in August 2010, following the success of IMSA West, which opened in 2007. Continuing on the path of this success, IMSA South was opened in 2013. Through these charters, IMSA has been able to make a significant impact in educating the city's under-served youth in a college preparatory setting.

Through the combined efforts and direction of the IMSA North board, leadership, and Concept Schools, we work with parents and the community to maintain and potentially improve the strides made in our school.

IMSA North is a small school structure that values education, honor, and diversity. IMSA North delivers a rigorous, innovative educational program, integrating the themes of Science, Technology, Engineering and Math.

Our value system is built on promoting productive attitudes toward school, work, self and community. IMSA North encourages a willingness to sacrifice for the good of others, as well as for personal fulfillment. Indiana Math and Science Academy North harbors deep respect for family, school and community while encouraging its students to appreciate and grasp the opportunities that life offers.

- **Governing Board**

Dr. Millard is the Founding Board President since the inception of IMSA in 2007, upon the establishment of IMSA West. He has been instrumental in expanding IMSA schools from one to three, IMSA North being the second school. Dr. Millard is a passionate advocate for school choice.

To improve board oversight and efficiency, the board has partnered with Board on Track (BoT), an organization that provides expertise, training, and web-based tools in support of board functions. As a result of BoT's recommendation, the board has a Financial and Academic Committee that meets prior to board meetings and then presents the committee discussion results to the board. The finance committee includes board members, the school treasurer and the school superintendent. The academic committee includes board members and the school principal.

The IMSA Board Members have a diverse background from academia, higher education and nonprofit management:

Dr. Kent Millard	President of United Theological Seminary	Board President
Mr. Murat Dunder	Assistant Professor, Department of Computer and Information Science at IUPUI	Academic Excellence Committee
Mr. Bulent Guler	Assistant Professor, Department of Economics at Indiana University	Finance Committee
Mr. David Coats	Retired Associate Director of The Polis Center, School of Liberal Arts, IUPUI	Finance Committee
Mr. M. Emin Ozdemir	Senior Engineer, Remy International, Inc.	
Ms. Jeanette Moody	Implementation Consultant with Scholastic	Academic Excellence Committee
Mr. Ron Ernst	Executive Development Consultant	Academic Excellence Committee

The Board of Directors, at the advisement of the Mayor's Office, are working to recruit members with a background in legal, marketing or facilities expertise. Each board member is committed to recruiting and recommending a potential board candidate to the board by the end of the 2016-2017 school year.

The school's leadership, along with the board, will actively work on recruiting parents with a background in the above areas that the board is seeking.

Sustaining Success

Responsible Party	Task	Timeline
Board Members	Committee Work	Semi Monthly
Board Members	Evaluation of Management Company	Annually

Efforts to Improve

Responsible Party	Task	Timeline
Board Members	Each member to recommend a new member to the board annually	Annually
School Leadership	Recruit and recommend a parent to the board	Annually

- The Leadership Team**

The leadership team that reports to the board starts with the school superintendent who oversees the three IMSA schools in Indianapolis. At the school level, the principal is the instructional leader and is in charge of the school's daily operations. Additionally, the principal prepares and actively monitors the budget along with the superintendent and the school treasurer. The treasurer oversees the three IMSA schools as well.

Leadership Team Members

Superintendent	Oversee three IMSA Schools
Treasurer	Oversee three IMSA Schools
Principal	Building Leader
Assistant Principal of School Culture	Work with Student Behavior
Assistant Principal of Academics	Work with Student Achievement
College Guidance Counselor	Work on College Applications and Readiness
Team Leaders	Work with a group of same grade level teachers

Typically, IMSA North recruits teachers within the IMSA network or in the wider scope within Concept Schools for leadership positions. Concept Schools has relocated principals and assistant principals from other states, based on the specific needs of the schools to support a strong leadership team.

IMSA North encourages administrators and leadership team members to partake in ongoing professional development. In the past, there has not been a structured calendar of professional development activities for the leadership team. To strengthen the team, there is now a set calendar instituted with quarterly leadership PD times as a measure toward improvement. To capitalize evaluating teachers and increase administrative based rating reliability, a plan is in place for administrators to observe and evaluate the same class together through the 2016-2017 school year.

Retaining quality administrators is crucial. To encourage consistent staffing of administrators, performance-based compensation is offered to administrators as part of the evaluation policy. Administrators can earn up to \$3,000/year based on their final summative evaluation. Tuition for administrators is covered at a rate of 100%, up to \$5,000 annually, barring budgetary restrictions.

Sustaining Success

Responsible Party	Task	Timeline
Principal	Administrator Evaluations	Annually

Efforts to Improve

Responsible Party	Task	Timeline
Superintendent, Principal	Leadership PD Calendar	Annually
Superintendent, Principal	Leadership PD time	Quarterly
Principal, Assistant Principals	Inter-Rater Reliability Training	Semi Annually

• **The Teaching Staff**

IMSA North has taken a more proactive approach in recruitment efforts for the 2016-2017 year to circumvent the growing teacher shortage that has affected hiring and retaining quality teachers over the years. Math and Science related areas have been particularly challenging to secure teaching staff. Tactics included beginning recruitment in April; attending job fairs; and reaching out to colleges in

order secure student teachers. In addition, IMSA N. has expanded its use of employment sites such as Indeed.com; Indystart.com, Craig's List, and the IDOE job bank.

We value retention of our staff, therefore, we implemented system supports and incentives to augment this effort. Lead teachers oversee two to three grade levels of teachers. The AP of academics and the AP of School culture are assigned to each grade level to better support new teachers. As an extra measure in 2016-2017 school year, we started assigning official mentors to each new teacher in the building.

Performance based compensation is part of our evaluation policy. A teacher can receive up to \$2000 in performance-based compensation based on their final summative rating at the end of the school year. Our teacher evaluations are multi-faceted, (50% of the evaluation is based on student growth measures and the other 50% comes from walk throughs, traditional formal evaluations and a professional responsibilities evaluation that covers aspects outside of the classroom. We are committed to conducting two of these evaluations for every teacher so we can provide as much feedback, guidance, and support to teachers as possible.

Research states that one of the main reasons teachers leave the profession is "lack of administrative support." We place strong emphasis on teacher support. We do monthly anonymous surveys to receive feedback from our teachers and use their feedback to support them.

The academic calendar has an allowance of nine professional development days. Professional development is a direct reflection of the feedback received from staff and the needs determined by the leadership team. We strive to build confidence and make it a priority to acquaint teachers with the curriculum and the tools available to them for creating a dynamic academic experience. One day is specifically set aside for incoming teaching staff to become familiar with programming and offer resource training.

Concept Schools, our management company, has transferred teaching staff between schools across states based on the need of the individual schools. The support especially helped in filling the teaching positions in STEM related areas. Concept Schools is committed to providing that support in the next contract term as well.

Sustaining Success

Responsible Party	Task	Timeline
Lead Teachers	Team Meetings	Weekly
Administrative Team	Teacher Observations/Evaluations	At least 6 times a year

Efforts to Improve

Responsible Party	Task	Timeline
Administrative Team	Partnership with Education Colleges	Ongoing

- **Academic Achievement**

IMSA North has traditionally done well academically based on the state report cards over the years until the new state tests in 2015-2016. We believe we have the tools, capacity and the resources to sustain that success moving into the new state tests.

Our curriculum is aligned to the new Indiana State Standards and at the high school level, College and Career Readiness Standards. Concept Schools' curriculum specialists are continually refining the curriculum. The curriculum is online as part of our Concept Schools Student Information System (CSIS). Through the use of CSIS, teachers can adapt the curriculum and submit their weekly lesson plans online. Teachers have access to not only the model curriculum prepared by Concept Schools, but also to lesson plans of all teachers within the Concept Network. Therefore teachers have access to lesson plans of 1,300 teachers in one central location. The teachers refer to these resources often and adapt elements to best suit their plans. We are continuously working to improve the quality of these resources. Our administrators review the lesson plans by Monday and provide feedback to the teachers as needed.

Our evaluation protocol provides our teachers and administrators with an opportunity to have at least **six** face-to-face meetings to discuss lesson preparation, delivery and other teaching responsibilities. The goal of these meetings is how to best support our teachers so that they can in turn support our students.

CSIS is our data warehouse as well. Not only does it provide all the classroom data in terms of lesson plans, attendance and grades, it also incorporates the NWEA data and the RIT ranges in a user friendly, simple format for teachers to utilize.

Our team leaders and administrative team meet with teachers weekly to go over individual student academic and behavior progress. If warranted, behavior plans are put in place and parents are contacted for a meeting at school or a home visit, whichever best suits our families.

Using NWEA, we monitor our general progress. We are seeking more specific progress monitoring tools geared towards ISTEP+ as NWEA does not provide enough information for a specific data analysis. Based on a national survey of available platforms by Concept Schools, we have decided to use Measuring Up for ISTEP+ progress monitoring. As our staff become more comfortable with using Measuring Up, we believe our students will be better prepared for ISTEP+.

Sustaining Success

Responsible Party	Task	Timeline
Central Office, Administrators, Teachers	Revising the curriculum	Ongoing and Annually
Administrators, Teachers	Data Analysis Meetings	At least 6 times a year

Efforts to Improve

Responsible Party	Task	Timeline
Administrative Team	Improving Lesson Plan Quality	Ongoing

Narrative for Ongoing Improvement

Academics

IMSA North has a young and growing high school. Although Concept Schools has a well defined and successful high school curriculum, IMSA North is at the beginning stages of that journey. Our preliminary calculations show that we met the College and Career Readiness goals set by IDOE and our graduation rate was 87%. We are able to offer several AP and Dual Enrollment classes; a good number for our enrollment size. In the 2014-2015 school year, our Advanced Placement (AP) and dual credit enrollment among 12th grade students was 28% and in 2015-2016 this number was 27%. We would like to increase this number to 50%, a benchmark set by MOI. Our challenge is the relatively small number of teachers who can teach AP or Dual Enrollment classes. To overcome this limitation, we are working individually with each teacher and trying to determine a pathway for them to become qualified to teach a dual enrollment or an AP class. We are working with the University of Iowa and ITT Tech to offer Dual Enrollment classes.

Academic progress takes place when there is a conducive school environment. To that end, our administrators and team leaders have received PBIS training over the course of the 2015-2016 school year. Our PBIS committee met over the summer and planned for the 2016-2017 school year. With a systematic PBIS approach, we believe the school culture will improve at IMSA North, which we anticipate will in turn improve the academics.

Academic success increases when there is strong parental support at home and at school. Our PTO has struggled over the years to mobilize enough parents to make a strong presence at the school. Believing in the importance of engaging the community, Concept Schools has made a network wide effort to engage the community over the last several years. We have a part time Community Engagement Coordinator(CEC) working on several initiatives. One of the priorities for the CEC and school administration is to increase parental engagement.

The majority of our students are using school buses as transportation to the school and given that they live a distance from our campus, it is a challenge to bring the parents into the school for PTO meetings and other events. Throughout our 2016-2017 school year, our Principal will hold monthly town hall meetings with parents in which the principal will provide an open forum to listen to parents and their suggestions. We also surveyed the parents as to how the school can provide support and opportunities for them. Parents stated that they are interested in budgeting/money management, buying insurance/car, and gardening. In each of our town hall meetings we will host an expert to address

parents' expressed interests. We hope to see about 50 parents at the town hall meetings during the 2017-2018 school year.

Organizationally

IMSA North has been utilizing buses for student transportation since its inception in 2010-2011. This strategy has been effective in increasing and sustaining enrollment goals. However students were bused from long distances and this created challenges when it came to students staying to participate in tutoring and clubs or parents being able to attend school events. For the 2016-2017 school year, the number of buses were reduced from ten to eight from the year prior. This affected the enrollment adversely, but we believe in the long term, it will provide more sustainability and help to create a better school culture. Our goal is to maintain the same number of buses in future years.

Another area of improvement is our rent. We have a great facility, but our rent is approximately \$67K/month. We are inquiring into financing and purchasing the building to reduce the cost to approximately \$47K. Negotiations with the landlord and the bank are ongoing.

Concept Schools has established an effective monitoring mechanism through CSIS and the central office structure. The superintendent meets with the school principal weekly, providing guidance and feedback on key issues continuously.

Operationally

While there are not many challenges identified at our school in terms of operations, there are some unidentified improvements that can be made. To that end our superintendent has done a great job in creating a platform for Principals to share best practices. The superintendent also gathers those best practices from among the other 30 schools in Concept Network and shares with school leaders.

ESP QUESTIONNAIRE



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Overview

Concept Schools is a Chicago-based, not-for-profit charter school management organization. Concept Schools' focus is to create and operate charter schools that provide educationally underserved students with the knowledge, skill and character to succeed in college, the workplace, and life—with emphasis to enter college degree programs and careers in science, technology, engineering, and math (STEM) fields.

Over the past 16 years, Concept Schools has created and currently manages 30 charter schools in Ohio, Indiana, Illinois, Michigan, Minnesota, Missouri, and Wisconsin with 1 more school planned to open for school year 2017-2018 and 3 more schools in 2018-2019. All schools are located in urban areas and serve over 13,000 underprivileged elementary, middle, and high school students in Cleveland, Columbus, Dayton, Cincinnati, Lorain, Toledo, and Youngstown in Ohio, Indianapolis, Chicago in Illinois, Center Line in Michigan, Milwaukee, Minneapolis, and St. Louis.

Concept Schools have achieved over 95% college acceptance rates of its graduating students. Its schools serve students where 60% to 100% come from economically disadvantaged families. 80% of Concept Schools' graduates are the first within their families to attend college.

Concept Schools have been recognized for delivering significant success in performance and quality:

- Horizon Science Academy Cleveland High School is designated as a 2009 National Blue Ribbon School by U.S. Secretary of Education.
- Horizon Science Academy Columbus High School is designated as a 2012 National Blue Ribbon School by U.S. Secretary of Education.
- Horizon Science Academy Columbus High, Horizon Science Academy Toledo, and Horizon Science Academy Cleveland High have been recognized as Schools of Promise for years in Ohio.
- Noble Academy Cleveland, Horizon Science Academy Cleveland High, and Horizon Science Academy Cleveland Middle, and Horizon Science Academy Columbus High are designated as Excellent Schools by Ohio Department of Education.
- Horizon Science Academy Cleveland High School was awarded National Title I Distinguished School Award for Closing the Achievement Gap.
- Chicago Math and Science Academy made the Illinois State Board of Education's (ISBE) 2008 Illinois Honor Roll.
- Indiana Math and Science Academy West received exemplary school rating three years in a row while Indiana Math and Science Academy North was recognized the same rating in its first year of operation in 2011.
- In 2011, Gateway Science Academy became one of the highest performing charter schools in St. Louis in its first year of operation.
- Michigan Math and Science Academy was the highest performing school in its region by getting an A on its annual report card by the Michigan Department of Education in 2011.

- Concept was included in an extensive study conducted by the Center for Research on Education Outcomes (CREDO) at Stanford University. The study, released on January 2013, covered longitudinal (5 year) performance of 176 Charter Management Organizations, 38 Education Management Organizations, and individual charter schools. Concept stands out in the study as one of the highest performing EMO's in the 25 states that the CREDO study covered. In regards to poverty level, percentage of minority students, and the number of total students, Concept may easily be considered the highest performing EMO in both math and reading. The CREDO report may be found at <http://credo.stanford.edu>
- Concept Schools organizes interstate event CONSEF, open to all students, a fair that includes science, technology, engineering, and math projects for more than 10 years. For more info: www.consef.org
- Concept Schools organizes nationwide stem conference, STEMCON where more than 300 stem educators come together nationwide. For more info: www.stemcon.net
- 2014 STEM Pioneer Leadership Award- The International Association for STEM Leaders recognized Concept Schools for its "world-class academic programming that prepares students for both college and future careers in STEM fields."
- Concept Schools organizes a math competition, MathCON which is an online math competition for students in grades 5-12 where 45,000 students from 450 schools in 41 different states participated. For more info: www.mathcon.org
- Concept Schools organized an incredible worldwide conference, the Chicago International Conference on Education. For more info: www.chicagooice.org
- Concept-managed high schools consistently maintain over 95% college acceptance and graduation rates.
- The first charter school student in Ohio to be accepted to MIT (Massachusetts Institute of Technology) graduated from Horizon Science Academy Cleveland.
- The first charter school student to compete at the INTEL International Science Fair was as an HSA Cleveland High School student.
- HSA Cincinnati, HSA McKinley, Chicago Math & Science Academy all competed in Robotics World Championship Tournaments.
- Gateway Science Academy excelled to attend to National Underwater Robotics Competition.
- The following Concept Schools were rated as "Best High Schools" by US News & World Report:
 - HSA Cleveland (2008 and 2010)
 - HSA Columbus (2013)
 - Chicago Math & Science Academy (2015 and 2016),
 - Indiana Math and Science Academy (2015)
 - Michigan Math and Science Academy (2016)
- HSA Cleveland, HSA Columbus and HSA Toledo are designated as "Schools of Promise" by the Ohio Department of Education (2012)
- Noble Academy-Columbus and Noble Academy-Cleveland are designated as "School of Honor" by Ohio Department of Education (2013)
- Noble Academy Cleveland was the only charter school out of 350 in Ohio to be rated "Excellent with Distinction" by the Ohio Department of Education in 2009.



- According to 2011-2012 Local Report Card, out of 19 Concept Ohio schools
 - 4 of them received “Excellent” Designation
 - 7 of them received “Effective” Designation
 - 7 of them received “Continuous Improvement” Designation
- Indiana Math and Science Academy was one of the only four charter schools in Indianapolis to show “Exemplary” progress three years in a row (2008-2010).
- Chicago Math and Science Academy is one of the highest performing charter schools with Level 1+ rating in Chicago with high graduation, college acceptance, and college persistence rates (2015).
- CMSA ranked #2 in Chicago Magazine's Top 5 Charter High Schools (2016)
<http://www.chicagomag.com/.../Se.../Best-Public-Schools/Chicago>
- Since it's inception, Gateway Science Academy has been one of the highest performing charter schools in St. Louis. Their first seniors have received 100% graduation and college acceptance.



Current Schools

Concept Schools currently manages and operates the following schools:

School	Grade Span	Metro Area	Year Opened	Years In Operation	Enrollment Numbers
Horizon Science Academy Belmont	K-8	Chicago, IL	2013	3	498
Horizon Science Academy Cincinnati	K-8	Cincinnati, OH	2005	11	321
Horizon Science Academy Cleveland High	9-12	Cleveland, OH	1999	17	465
Horizon Science Academy Cleveland Middle	K-8	Cleveland, OH	2005	11	408
Chicago Math and Science Academy (CMSA)	6-12	Chicago, IL	2004	12	590
Horizon Science Academy Columbus Elementary	K-5	Columbus, OH	2008	8	528
Horizon Science Academy Columbus High	9-12	Columbus, OH	1999	17	501
Horizon Science Academy Columbus Middle	6-8	Columbus, OH	2007	9	449
Horizon Science Academy Dayton Downtown	K-8	Dayton, OH	2010	6	204
Horizon Science Academy Dayton Elementary	K-5	Dayton, OH	2005	11	176
Horizon Science Academy Dayton High	6-12	Dayton, OH	2009	7	325
Horizon Science Academy Denison Elementary	K-5	Cleveland, OH	2008	8	134
Horizon Science Academy Denison Middle	K-8	Cleveland, OH	2005	11	326
Gateway Science Academy Fyler	6-12	St. Louis, MO	2010	6	505
Gateway Science Academy Smiley	K-5	St. Louis, MO	2012	4	438
Gateway Science Academy South	K-5	St. Louis, MO	2013	3	393
Indiana Math and Science Academy North	K-12	Indianapolis, IN	2010	6	672
Indiana Math and Science Academy South	K-8	Indianapolis, IN	2013	3	269
Indiana Math and Science Academy West	K-8	Indianapolis, IN	2007	9	533
Horizon Science Academy Lorain	K-12	Lorain, OH	2009	7	651
Horizon Science Academy McKinley	K-11	Chicago, IL	2013	3	719
Michigan Math and Science Academy	K-12	Center Line, MI	2009	7	597
Milwaukee Math and Science Academy	PK-8	Milwaukee, WI	2011	5	411
Minnesota Math and Science Academy	K-8	St. Paul, MN	2014	2	546
Noble Academy Cleveland	K-8	Cleveland, OH	2006	10	431
Noble Academy Columbus	K-8	Columbus, OH	2006	10	336
Horizon Science Academy Southwest	K-10	Chicago, IL	2014	2	670
Horizon Science Academy Springfield	K-8	Toledo, OH	2005	11	358
Horizon Science Academy Toledo	K-12	Toledo, OH	2004	12	599
Horizon Science Academy Youngstown	K-8	Youngstown, OH	2010	6	432



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2- Educational Service Center of Lake Erie West (Authorizer of 8 schools in Ohio)

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6- City of Milwaukee, Milwaukee Common Council (Authorizer of Milwaukee Math and Science Academy)

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7- Indianapolis, Office of the Mayor (Authorizer of Indiana Math and Science Academies)

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8- Illinois State Charter School Commission (Authorizer of Horizon Science Academy-McKinley Park and Horizon Science Academy-Belmont in Chicago)

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9- Pillsbury United Communities (Authorizer of Minnesota Math and Science Academy)

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Concept Schools High Expectations and Standards

Concept Schools has high expectations and standards for all its students attending its schools. Concept Schools works with each school site to ensure progress toward achieving these expectations and standards:

1. Student Population Served. Concept Schools generally serves underserved neighborhoods that do not have enough high quality education options. Concept Schools' student population demographics closely reflect that of their local neighborhood.
2. Powerful Culture and Engagement. Students who attend Concept schools show a high level of engagement and understanding of purpose in their learning. Concept schools create an environment that deliberately develops and encourages a culture that engages students. Teachers and staff members of Concept schools demonstrate a high level of engagement and commitment to students, each other, and to the Concept Schools' model.
3. Academic Success. Concept Schools have an average of 73% *Conditional Growth Percentile average from fall 2015 to spring 2016 on NWEA Map test, which means that Concept Schools outperformed 73% of the schools in the nation.
4. Post Secondary Success. 100% of high school students who attend a Concept school for 3 years or more are accepted to 4-year colleges, many are STEM related fields and at least 90% will receive a 4-year college degree.
5. 21st Century Skills Preparedness. 100% of students who attend a Concept school for 3 years or more demonstrate proficiency in 21st Century Skills.
6. Student, Employee, and Community Satisfaction. All Concept schools enjoy significant teacher and student satisfaction as demonstrated by a 90%+ retention rate and a student enrollment waiting list that is 20% greater than the seats available.
7. Contribution to Health of Community. Each Concept school can evidence their contribution to their local community's economic health by the number of workforce-ready skilled graduates produced and the reduction in high school and college dropouts.
8. Safe and Sound Environment. The Concept Schools and its school sites are financially solvent, meet budgets, meet all regulatory compliance requirements, operate in an organized manner, and maintain a safe and clean environment for students and staff.

Concept Schools History

The idea of a college prep charter school model focused on math, science, and technology was developed by two Turkish educators ten years ago in Ohio. Taner Ertekin, an educator and entrepreneur who had started schools in Thailand and Japan, was visiting United States to recruit American teachers for the schools he had started in these countries. The charter school concept was introduced to Taner by his long time friend, Ehat Ercanli, a computer technology professor at Case Western University.



The state of Ohio had just recently passed their charter school law enabling charter schools to exist in the state. Taner Ertekin realized the opportunity for making a difference in education through charter schools.

Taner and Ehat put together a team of scientists, business leaders, and educators, including Sedat Duman who is now the President/CEO of Concept. They developed the program and wrote their proposal upon extensive research of the American education system, visiting many schools, and then consolidating best practices from the Turkish education system and the American education system.

Dr. Ercanli also invited scientists who were studying at the local universities to the charter school project. Some of these scientists ended up teaching in the original school once the school was opened instead of working for corporations or continuing their researches at the universities. Involvement of these scientists in the school made a huge difference in the lives of many students.

Taner's and Ehat's proposal was liked by the Ohio state board of education and was approved immediately. They had submitted one proposal to open a charter school in Cleveland. However, the State of Ohio officials were so impressed by the proposal and the school model that they asked Taner and Ehat to open one more school in Columbus, Ohio that year in 1999.

Joe Graba, one of the former state officials who drafted the first ever charter school law in Minnesota would speak at an event years later and explain the success behind Concept Schools as "these [Concept Schools] guys have been successful because they came from another country with no preconceived notions about our urban kids. Therefore, they had no concept of low expectations from them as many educators and schools in America do. They rejected the idea of only certain students could be successful and believed in their students that they ALL can be successful. That belief system made a huge difference..."

The model that Taner and Ehat developed expected excellence from all of their students not just from the ones with strong academic backgrounds. Their model supported the students who needed additional help through after-school, Saturday classes, summer and winter programs and their students progressed profoundly.

For five years they operated only two schools. These two schools established a good reputation of being effective learning environments through their state test scores, attendance rates, and graduation and college acceptance rates in such a short time. That is when sponsors approached Taner Ertekin with the idea of replicating the model and reaching out to greater numbers of students and parents in Ohio and Concept Schools began to replicate and grow. In 2002, he founded Concept Schools as the management organization.

Concept Schools has grown to manage 30 charter schools in seven different states: Ohio, Illinois, Indiana, Missouri, Minnesota, Michigan, and Wisconsin.



School Design

The overarching philosophy of the design is the belief that “intelligence is not an innate ability and achievement is the outcome of effort, which is driven by motivation, not ability”. Therefore, academics will be engulfed in rich and meaningful auxiliary programs to motivate students and foster a thirst for learning. Concept Schools operates schools in grades K-5, K-8, 6-8, 6-12, and K-12 formats.

The pillars of Concept Schools’ design are:

Personalized approach – Each student will have daily individualized support for achieving milestones toward their own goals and their school’s goals. Research shows that social supports are as important as academic supports for improving student achievement and preparing students for life beyond high school graduation (Alliance for Excellent Education, 2007; Pathways to College Network, 2007). Social supports can include small learning communities, structured peer interactions, and faculty advisors for small groups of students (Herlihy & Quint, 2006). Other forms of social support increase students’ access to college information through post-graduation planning sessions, financial aid and college application assistance, and generally establishing a college-going mindset among high school students (Hoyt, 2001; Nagaoka et al., 2006; Corwin & Tierney, 2007).

Continuous relationships – Effective small schools are designed to nurture relationships with students. Concept Schools has an advisory system. Each teacher is assigned a small group of students to advise, mentor, and to help with academic, social, and emotional needs. Teachers organize additional events with their group of students outside the school in order to build sustainable and healthy relationships. Advisors conduct home visits to build a relationship with the student’s parents. Advisors are the primary contact for parents regarding their children. The advisory system, along with the homeroom, which is also focused on community-building activities, will foster an environment that allows students to be socially and emotionally safe. Students’ sense of belonging and community will increase self-esteem and lead to greater success.

High standards – Concept Schools clearly define the expectations for academic achievement and conduct for all students regardless of background. Students, parents, teachers, and staff create and reinforce a culture of achievement and support through a range of formal and informal rewards and consequences for academic performance and behavior. With an extended school day, week, and year, students will have more time in the classroom to acquire the academic knowledge and skills that will prepare them for competitive colleges. Higher standards and expectations are also reflected through grade-promotion standards, school-wide discipline policies, and graduation requirements. Students’ participation in after-school activities, extracurricular activities, school-wide events, and showcases are not only expected but are mandatory in some cases. Such high expectations and standards are clearly communicated to our students, parents, and the larger community on an ongoing basis.



Post-Secondary Success - High school graduation and acceptance into college is not enough for student success. In this country, too many students who make it into college drop out within the first few years and are unable to graduate with a degree and establish good careers. The Concept Schools' model helps students achieve post-secondary success by providing them the academic, organization skills, and study skills that are essential for the college and university experience. Additionally, Concept Schools will make it easier for students to attend and succeed in college by helping them obtain scholarships as well providing counseling help and even job placement as needed during and after college. Concept Schools' alumni who successfully obtain college and universities degrees and enter Science, Technology, Engineering, and Math careers or who become teachers and leaders of Concept Schools will add to the success, reputation, and community support of Concept Schools.

Performance-based assessments - Carefully designed Concept Schools interim assessments will make it possible for teachers to effectively focus instruction and appropriately place students in accelerated programs and/or support services. With frequent and systematic analysis of assessment results, there will be a "laser-like focus" on the skills to be taught so that the students' time is used effectively.

Adaptive pedagogy – Teachers use multiple instructional strategies to adapt teaching to students' backgrounds, talents, interests, and the nature of their past performance. Concept Schools believes in allowing teachers to teach in an environment that supports their successful practices and strategies, so that each teacher can customize their teaching materials according to the needs of their particular group of students. Teachers at Concept Schools use a combination of direct teaching, problem-based learning, project-based learning, and collaborative learning. Students are taught how to study, how to approach academic tasks, and how to evaluate their own and others' work. By carefully scaffolding tasks, teachers work students through a step-by-step process resulting in a finished product.

Multi-cultural teaching – By exposing students to a rich diversity of American and international cultures, Concept Schools promote respect for diversity and create a context in which teachers' and students' experiences can be understood, appreciated, and connected to the curriculum. Concept Schools organizes local, national and even international trips for students, parents, and staff members. Students are able to participate in Concept Schools' summer cultural exchange programs. Through this program, students are able to go to another culture and live with a host family for three weeks, thus getting comprehensive exposure to another culture. The impact of such programs on urban students is invaluable--considering the fact that most of them have never left their city, state, or country.

Knowledgeable and skilled teachers – Concept Schools recruit highly qualified math and science teachers that are among the brightest and most talented in their field. Many have advanced degrees and each understands the multifaceted needs of different types of learners. Their demonstrated technological skills will be infused into their curriculum. A comprehensive selection process of our staff members allows us to find teachers who are committed to urban education and who are willing to go beyond the call of duty in order to meet the needs of our students. The staff selection process requires demonstration lessons, classroom visits, online screening tests, comprehensive interview, and review of transcripts, referrals, and reference checks. Since finding high quality math and science teachers has



been a challenge for urban schools, Concept Schools also recruits some of the best and brightest math and science teachers from overseas.

Collaborative planning and professional development – Because so much is expected of the teachers, professional development and collaborative planning play a critical role Concept Schools’ success. The Summer Institute and professional development days during the year provide time for teachers to work together in teams and by grade levels to develop curriculum, review assessment data, and develop teaching strategies.

Family and community connections – Students, parents, teachers, and staff are all part of a school culture that fosters strong communication between the school and families. Everyone will be asked to uphold a commitment to the school and to each other to put in the time and effort required to achieve success. The schools host community breakfasts and student-centered exhibits to create a sense of community and build community support. Families and educators share responsibility for student learning and will rely on each other to contribute to the learning process. High-quality interactions among educators and families can build trust, increase adult support for learning, and improve student performance (Adams & Christenson, 2000, Perna & Titus, 2005). Parents and teachers are expected to participate in extracurricular activities, science fair projects, Olympiad competitions, national trips, overseas summer programs, Saturday SAT and ACT educational camps, and other school activities. Through community partnerships, students participate in internships, providing them with applied opportunities to pursue research and gain technical experience.

Democratic decision-making – Day-to-day decision making is made as close to the classroom as possible. Teachers share responsibility for groups of students and adapt their teaching strategies to meet student needs. Students are encouraged to attend parent-teacher conferences. Both parents and students have the opportunity to serve on school committees and plan school events. Parents and teachers have the opportunity to participate in professional development to enhance their ability to contribute to student success.

Authentic curriculum – Students are engaged in active learning set in a real-world context that requires higher-order thinking. This higher-order thinking includes creativity, innovation, critical thinking, problem solving, as well as other 21st century life and career skills such as effective communication, collaboration, and project management.

Concept Schools Central Office Support Services

Concept is a comprehensive management model in which Concept is accountable to the school board for student achievement, fiscal management, compliance, and reporting. The Concept Schools organization charges each school a fee of 10% to 12% of per pupil funding for comprehensive management of the school. In this comprehensive management model, the services that Concept provides the schools with are including but not limited to the following.



Start-Up Services: Opening a new school presents a very challenging experience; it calls for operational preparedness, significant coordination, and management from the school's inception. Concept Schools is fully experienced in the process. Concept provides guidance and assistance to community founders to realize readiness and coordinate the activities and operations for new schools. These readiness activities and guidance start by incorporating the new schools, applying for their exempt status, writing a charter proposal, facility search, market analysis, and pursuing the correspondence with proper authorities. At this stage, we collaborate to create the school's curriculum to mold with the educational model, used for the school's promotion. Finally to ensure a successful start-up, the main stakeholders must be identified and introduced to the project, while securing their support and cooperation.

Some of the major activities in the readiness stages include school promotion, student recruitment, and selecting quality personnel. Concept Schools offers services to develop school business plans, portfolios, brochures, open houses and informational meetings to promote the program and recruit students.

Concept Schools offers their financial support during the startup services. The majority of the startup work is performed before new member schools have state funding, fundraising activity, or even a state charter. Thus, Concept Schools provides the funds to establish the new member schools. If the schools do not ultimately receive a state charter or funding, then Concept Schools is not reimbursed for its significant expense. If funding is ultimately achieved, Concept Schools expects reimbursement for its expenses without a view to profit and without interest.

Concept Schools Services

Academic Services

Concept provides comprehensive academic services included but not limited to

- Identifying graduation requirements and course offerings
- Development of master curricula
- Adaptation of CCSS for ELA and math curriculum
- Adaptation of NGSS for science curriculum
- Improvement of master curricula according to teacher feedback
- Technology integration and supervision
- STEM focused events and activities
- Character education curriculum and activities
- Recommendation of textbooks and supplemental books
- Design science labs and evaluate the needs
- Design computer/PLTW labs and evaluate the needs



- Recommendation of technology needs, softwares, and RTI resources
- Review of requested additional materials from schools
- Creation of district assessments
- Analysis of district assessments, NWEA MAP Assessments, and, State Assessments
- Classroom observations and feedback
- Resource sharing through Concept academic websites, newsletters, and e-mail groups
- Support for technology planning
- Creation of evaluation protocol and rubrics
- Calculations of student growth performances
- Analysis of teacher ratings and growth plans

Financial Services

Concept performs all financial operations included but not limited to;

- Payroll
- Purchasing
- Accounts payables
- Accounts receivables
- Grant management
- Development and monitoring of financial policies and procedures
- Book keeping
- Budget preparation and management,
- Audit preparation and coordination, and reporting.

School Information System

Concept provides School Information System (ConceptSIS) that performs the following functions

- On-line student registration and data maintenance
- Student records and employee files management
- Parent access (assignments, discipline, attendance, etc.)
- Report Cards and Transcripts
- Student discipline management
- Student/staff/course schedules

- Compliance with state requirements for reporting of student enrollment information
- Attendance, grading, and log book
- Curriculum and lesson planning
- Online assessment & data reporting
- Extra-curricular activities management
- Staff performance management
- E-forms (leave request, reimbursements, purchase request, etc.)
- Clock in/out system for staff
- Employee attendance management
- Dashboard for administrators
- Online Job applications module
- System alerts

Leadership & Supervision

Concept management team including regional superintendent provide the following services to the school.

- Mentoring and consulting to the school principal
- Board relations, board meeting attendance and provide answers to the board's questions
- Performance evaluation of the school principal
- Budget management
- Periodical principals meetings
- Risk and emergency crisis management
- Implementation and assurance of effective operation of the Concept's model.
- Conduct strategic planning meetings with the school admin team
- Model and hold the school principal and other administrators for establishing and maintaining data-driven decision making processes.
- Establish and implement reliable interview procedures to ensure recruitment of highly skilled and qualified employees for the school.
- Continuously seek professional development opportunities to improve individual and collective capacity of staff, and take an active role in the ADDIE (Assessment of needs, Design, programs. Development, Implementation, and Evaluation) process for all staff training and development programs.
- Monitor development and timely submission of all reports required by the state and the school



code to achieve and maintain a 100% compliance rate at all times.

- Routinely and consistently assess the progress of district compliance with local, state, and federal mandates, and adjusts as necessary.
- Participate in all required meetings of the sponsor and/or authorizing agent.

Compliance and Accountability

Concept performs the following essential functions.

- Timely monitoring of school-wide administrative, financial, governance and instructional programs.
- Measure and report on progress and performance to meet the information needs of school system staff and various stakeholders throughout the community.
- Conduct statistical analysis of academic initiatives with focus on improving student achievement; analyzes student data, helps the school's leadership team on the use of data to make informed decisions.
- Develop a school-wide report card which shows the current state by employing a Concept wide benchmark based Performance Framework which includes academic, organizational and financial Measures.
- Provide ongoing oversight (academic, financial and organizational) at the regional level and report the findings as well as recommended corrective actions to the board.
- Keep the school principal updated on federal mandates and reporting.

Extracurricular

Concept organizes events and programs for the network schools such as;

- CYSP (Concept Schools Young Scholars Program)
- Consef
- MathCon
- Robocon
- Spelling Bee
- Spoken Words
- Writing Contest
- Spanish Bee



- FTC/FLL Tournaments
- Teacher of the Year

Human Resources

Concept provides the following services.

- Generate, review and update employee contracts
- Ensure timely and accurate processing of payroll and associated reporting / payments.
- Maintain employee communications regarding compensation and deductions
- Collect, generate, and/or analyze relevant data to inform school administration
- Handle insurance eligibility and COBRA administration
- Negotiate insurance renewal and other employee benefits
- Facilitate open enrollment meetings
- Help school administration with day-to-day employee matters
- Ensure timely distribution of required notices
- Generate and update performance evaluation rubrics
- Audit employee documents to ensure compliance
- Manage, analyze, and improve HR functions of Concept SIS
- Confer with school administration to develop or implement personnel policies or procedures.
- Respond to all HR related questions
- Design and conduct school surveys for staff and administration.
- Respond to all FOIA requests and Subpoenas in a timely manner.
- Create, review, and update job descriptions for all positions.
- Provide or facilitate HRM related training for school administration
- Interpret and explain human resources policies, procedures, laws, standards, or regulations.
- Advise school administration on organizing, preparing, or implementing recruiting or retention programs.

Professional Development

Concept provides training to the school's new staff on Concept design, data driven instruction, technology, curriculum, and the management tools that is used in the school. Academic departments are involved in academic visits and observations. Concept delivers the following PDs for the school.

- Training teachers for Curriculum



- Conferences and webinars
- Teacher Institute
- Regional PD Days
- Leadership Summit
- Superintendents PD
- Principals PD
- Instructional Coordinators PD
- College Guidance PD
- Robotics PD
- Early Literacy

Public Relations

Concept put a great emphasis on public relations for its schools and provide the following services for its schools.

- Developing, monitoring, and supporting school based community engagement plan.
- Helping school build meaningful partnerships to create unique opportunities for students
- Supporting schools in crisis management
- Providing training and professional development to the community outreach coordinator
- Helping schools organize community events such as community breakfast and community luncheons
- Help with and review communication such as newsletters and event materials
- Provide the principal training and support with effective community engagement

Marketing

Concept strongly believes in spreading the word about the school and creates outstanding marketing tools for the school to do so. Below are the services that Concept provides for the school.

- Writing and/or editing and designing and printing marketing materials for student recruitment and promotion purposes
- Designing and maintaining the school's web site including search engine optimization
- Managing the social media for the school



- Preparation of schools annual reports
- Final editing of schools' newsletters

School Site Model Fidelity, Governance, and Autonomy

Concept Schools believes that each school site should replicate the successful Concept Schools' education model with fidelity but not be identical clones of one another. Each school site should adapt to the needs of the local community where the school is located and be governed locally.

Concept Schools' non-negotiable model elements and principles that must be implemented consistently by all school sites include the following:

School Model- Non-Negotiable Elements

1. Schools must be focused on preparing 100% of students to be college-ready with 21st Century workforce and citizenship skills. 70% of students must apply Science, Technology, Engineering, and Math college degree programs.
2. 21st Century Skills¹ must include:
 - a. Learning and Innovation Skills – creativity/innovation, critical thinking/problem solving, and communication/collaboration.
 - b. Information, Media, and Technology Skills.
 - c. Life and Career Skills – flexibility/adaptability, initiative/self-direction, social/cross-cultural skills, productivity/accountability, and leadership/responsibility.
 - d. Interdisciplinary 21st Century Themes – global awareness, financial/economic/business/entrepreneurial literacy, civic literacy, health literacy, and environmental literacy.
3. Schools must strive for and benchmark their performance against the eight elements of Concept Schools' High Expectations and Standards at least twice per year.
4. All students shall participate in one or more extra-curricular activities a year with one activity being related to Science, Technology, Engineering, or Math.
5. All school teachers and principals shall participate and use the Concept Schools' parent-teacher-student conference protocol.
6. Schools shall use Concept Schools' Interim Assessments at least three times a year.
7. Schools with grades 9-12 must conduct college guidance counseling to all high school students using the Concept Schools' college guidance counseling protocol.
8. Schools must conduct one nationally recognized norm-referenced assessment per year (NWEA).
9. Schools must offer teachers and staff at least 4 days of professional development days during the school year.

¹ Partnership for 21st Century Skills (<http://www.21stcenturyskills.org>)



10. Schools must conduct data-analysis meetings after receiving all formative and high-stake assessment results following the Concept Schools' protocol.
11. Schools must organize leadership teams, grade-level teams, and department team and conduct team meetings using the frequency and protocols prescribed by Concept Schools.
12. Schools must individually conduct all-staff retreats at least once a year using Concept Schools' protocol.
13. All students will be visited at home by a school staff member or teacher a minimum of at least once per year using Concept Schools' protocol.
14. Schools must conduct monthly student assemblies using Concept Schools' student assembly protocol.
15. Schools must conduct an annual survey of parents, teachers, and students using the Concept Schools' survey instrument and protocol.
16. Schools must use the Concept Student Information System.
17. Schools must offer Concept international trips and student exchange programs to all students and staff members.
18. All schools' staff must participate in the Annual Concept Schools Conference, Regional Professional Development Days, and 5-day Teacher Institute. All new staff must participate in a 3-day orientation training prior to the 5-day Teacher Institute.
19. All schools must use a Concept Schools approved and developed evaluation protocol to evaluate all school teachers, staff, and leaders.
20. Schools must have meaningful partnerships with the community, businesses, colleges, and universities.
21. Schools must have a professional dress code for its students and faculty.
22. Schools must offer extended school day and a longer school year.
23. Schools must use Concept Schools' Master curricula.
24. All K-8 schools should implement a reading program and keep track of students' progress.
25. All high schools should use Naviance, college application tracking system.
26. Schools should follow graduation requirements and promotion policy detailed in the High School or Student Handbook.
27. All schools should implement the following extracurricular activities such as organizing in-school science fair or project fair that includes other subjects, organizing a college fair, attending in Concept network-wide events, offering Concept Young Scholars Program (CYSP) and organizing local, national, or international trips.

Governance/Leadership – Non-Negotiable Elements

1. Each school site must have an autonomous board of directors consisting of 5 to 9 odd number of board members with diverse expertise and experience base.
2. Board members must not have any conflicts of interests and have a good understanding of the Concept Schools' model and their role as board members. Concept Schools' employees, school employees, and parents do not serve on their own local school board as this would be a conflict of interest unless required by law.



3. Each school must have a parent advisory committee with at least 3 members.
4. School employee hiring must use the Concept Schools' hiring protocol that requires the process to be consensus-based with a 3 or greater odd-number panel.
5. School employee firing must use a human resource panel that must include legal counsel and the Concept Schools' regional superintendent.
6. All budgets and budget amendments must be submitted to the regional superintendents by the school principal prior to the board approval. The school principal has then authority to execute the approved budget and spend money as authorized by the budget with the following condition:
7. All contracts must be reviewed and approved by legal counsel and contracts over \$25,000 must be approved by the school board.
8. Any deviation more than 5% of the overall budget in a line item in the budget must be approved by the superintendent and the board of directors
9. Any expense greater than \$5,000 that is not included in the budget must be approved by the regional superintendent and the board of directors.
10. Schools are required to have a minimum of the following financial controls in place:
 - a. All checks must be signed by two authorized signers.
 - b. Bank account reconciliation and any credit card reconciliation must be conducted by a person not authorized to sign checks.
 - c. Each school site must have an independent third-party financial audit by a qualified auditor on an annual basis.
 - d. The person who receives shipments of goods from orders must be a different person than the person who placed the order.
11. Schools are required to have the following risk management controls in place:
 - a. A safety committee of at least 3 members must convene monthly to review different aspects of risks and safety.
 - b. Schools must receive a valid certificate of insurance from all outside contractors that provide services to the school before services are rendered.
 - c. Schools must meet all local school insurance requirements with a minimum of \$15 million general liability, sexual abuse and molestation, \$5 million professional liability, and property coverage limits that mirror current value of property.
12. Schools must use the Concept Schools' performance dashboard. They are free to add to the standard performance dashboard with elements of their own.

Local School Site Autonomy

The local school principal, with the authority of the local school board, has full autonomy and authority to operate, solve problems, and innovate at their school within the boundaries of regulatory mandates, legal requirements, and Concept Schools' model/governance non-negotiable requirements.

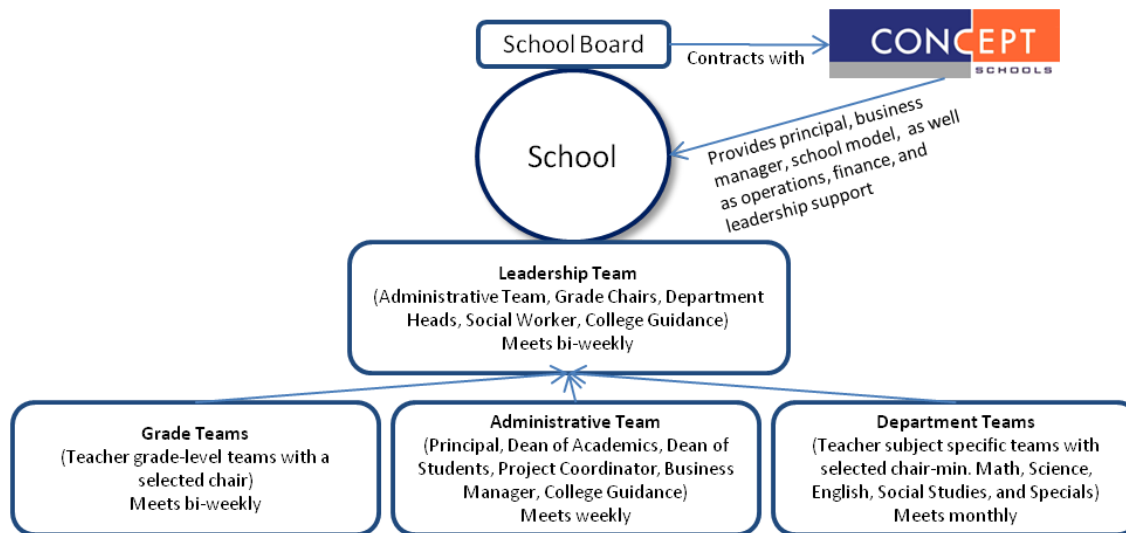
Under this premise, the local school principal, school board, and faculty may ask Concept Schools for advice and guidance but other than the boundaries specified above, they are free to take or leave the advice and guidance.



The school boards evaluate the quality of support provided by Concept Schools annually. Concept Schools is committed to provide high quality and responsive support to its schools and is committed to continuous improvement. It is Concept Schools' goal that all performance issues get resolved in a timely manner so schools will not need to find other solutions.

Concept Schools also implement annual performance evaluation to its employees in order to evaluate the quality of services provided to schools. It is a multi-rater performance evaluation system which allows Concept leadership to receive feedback about the job performance from various stakeholders, who have the opportunity to observe the Concept employee's performance from different angles. The performance evaluation system helps Concept Schools to improve its services to schools.

School Site Governance and Leadership Structure



Each Concept school site is governed by an independent local charter school board. The school board is responsible for ensuring that the school is successful, healthy, and meeting the obligations of its charter. It is also responsible for:

- hiring, evaluating the performance, and firing the school principal;
- setting and monitoring performance goals and expectations
- making sure adequate resources are available for the school and making sure these resources are managed effectively;
- ensuring the school is accountable and fulfills all legal and ethical obligations;
- making sure the schools strategic plans are developed and carried out effectively; and
- enhancing the school's public standing and reputation.



There are four distinct types of teams with overlapping members that operate the school and make decisions within the boundaries of the Concept Schools' model, school strategic plan, charter agreement, and legal/ethical requirements. These teams are:

- **Leadership Team** -- comprised of members of the Administrative team plus Grade Chairs, Department Heads, the College Guidance Counselor, Specials Team Leaders, and the school's Social Worker. This team convenes bi-weekly to evaluate overall school performance and culture, identify major performance issues and gaps, coordinate initiatives between departments and grades, and develop plans of action.
- **Grade Level Teams** -- comprised of all teachers within a grade level with a selected chair person. These teams convene bi-weekly to review student performance, create intervention plans, and to coordinate and develop integrated projects and curriculum.
- **Department Teams** -- comprised of all teachers within a subject area with a selected chair person. At a minimum, there are Math, Science, Social Studies, English, and special subject teams. These teams convene monthly to develop subject teaching strategies and review student performance.
- **Administrative Team** -- comprised of the Principal, Business Manager, Dean of Students, Instructional Coordinator, and College Guidance Counselor. This team meets monthly to review the school's operational, financial compliance, safety, and student discipline performance. They create action plans and form work teams to tackle any performance gaps.

Each team uses specific Concept Schools' meeting protocols to guide the discussions and create an environment that promotes effective collaboration and ownership.

School Site Support Structure

Concept Schools supports the local school site through a management contract with the local school's board of directors. This support is delivered in a coordinated fashion through four distinct teams:

1. **Concept Leadership Team** -- focused on leadership, model implementation fidelity, fidelity of school culture, and performance evaluation. The Concept Leadership Team is also responsible for identification, cultivation and chartering of new school sites including the recruitment of the new principal.
2. **Concept Management Team** -- focused on providing business services support for school operations, compliance, reporting, logistics, finance, accounting, human resource, marketing, technology, and procurement. The Concept Management Team is also responsible for the setup and launch of new school sites including the recruitment of the business managers and the recruiting of students to the new school site.
3. **New Plan Learning** -- a sister non-profit company of Concept Schools that focuses on facilities finance and management. They handle the acquisition, financing, construction, and major maintenance of school facilities. The CEO of New Plan Learning interacts and coordinates with



the other Concept School teams along with the school site principal and business manager for delivery of new school sites or modifications to existing sites.

4. **Concept Alumni Foundation** -- will be created to raise money to support graduates going to college in scholarship and with other services such as guidance, regular contacts, alumni events, and job placement when they graduate. Since Concept Schools' success measure is for students to successfully complete post-secondary education and for students to enter science, technology, engineering, and math careers, it is important that Concept Schools provides some level of support during the student's post-secondary experience. Initial financial support for the foundation may come from individual school sites. The foundation will raise additional funds to build capacity to provide more scholarships and conduct more extensive post-secondary support programs.

Culture, Leadership, and Teaching Support

In addition to the standard school site teams, Concept Schools provides leadership and teaching support through professional development and facilitation of learning communities at the national and regional, and school site level.

Operational Support

Concept Schools coordinates the school site's operational and back office support needs through the school business manager and the Regional Treasurer. The Regional Treasurer oversees all the business managers and is responsible to ensure that the schools' needs are met in a high quality and responsive fashion.

Accountability

Concept Schools maintains high accountability standards for all its people and schools. Concept Schools' goal is to create and operate the top performing schools in the country. This standard is above and beyond what is required by law. The following is an accountability matrix reflecting who is accountable for what results:

Who	Accountable for	Monitored by
School Board	<ul style="list-style-type: none">● Maintaining a solid strategic plan and budget that supports the school's goals.● Overall health and performance of school—especially with student success goals.● Employing an effective principal that meets goals.● Maintaining a well informed board and with good governance practices.● Meeting all regulatory and legal requirements as well as ethical standards.	<ul style="list-style-type: none">● Concept Schools Regional Superintendent● Charter Authorizer
School Principal	<ul style="list-style-type: none">● Carrying out the strategic plan and following the budget.● Implementing a strong school culture that is results oriented, practices continuous improvement, and is student focused.● Maintaining effective school personnel.	<ul style="list-style-type: none">● School Board● Concept Schools Regional

	<ul style="list-style-type: none"> Delivering a school environment that is healthy and meets performance goals especially with student success goals. Meeting all regulatory and legal requirements as well as ethical standards. Meeting Concept Schools' model requirements. 	<ul style="list-style-type: none"> Superintendent
School Business Manager	<ul style="list-style-type: none"> Operational effectiveness and efficiency. Ensuring the school, especially teachers get the resources they need to meet their goals. Maintaining accurate financial statements and records. Meeting and delivering on all regulatory and legal requirements as well as ethical standards. Making sure all risk management and financial controls are effectively implemented. Making sure all required reporting deadlines are met. Meeting Concept Schools' model requirements for operations. 	<ul style="list-style-type: none"> Principal CFO School Board
Department Heads	<ul style="list-style-type: none"> Performance of all students within their department's subject area. Coordinating instruction between grade levels within their subject area. Maintaining the right personnel and skill levels. Meeting Concept Schools' model requirements. 	<ul style="list-style-type: none"> School principal
Grade Level Chairs	<ul style="list-style-type: none"> Performance of all students within the grade level. Coordinating instruction between subject areas within the grade level. Maintaining the right personnel and skill levels. Meeting Concept Schools' model requirements. 	<ul style="list-style-type: none"> School principal
Teachers	<ul style="list-style-type: none"> Performance of all of their students. Coordinating between other grade levels and between subject areas. Maintaining a high performance attitude and level of aptitude. Meeting Concept Schools' model requirements. 	<ul style="list-style-type: none"> Department Heads Grade Level Chairs School Principal
College Guidance Counselor	<ul style="list-style-type: none"> Motivate students and ensure students apply and are accepted into college. Develop specific plans for each student so they meet the necessary requirements to compete and gain entry into top colleges. Thorough understanding of requirements and how to compete to gain entry into the top college choices. 	<ul style="list-style-type: none"> School Principal
Assistant Principal of Academics	<ul style="list-style-type: none"> Ensure academic programs meet all required state and federal education standards and assessments. Coordination between department heads and grade level chairs for consistent implementation of academic program and school culture. Meeting Concept Schools' model requirements in academics and school culture. Coaching and training of teachers in helping them implement the academic program and school culture more effectively. 	<ul style="list-style-type: none"> School Principal
Assistant Principal of School Culture	<ul style="list-style-type: none"> Effective student recruitment that complies with the law, reflects diversity of the community, and creates demand that results in a healthy waiting list. Ensuring consistent healthy school culture that meets Concept Schools' model requirements. Development and implementation of effective and consistent student discipline that meets Concept Schools' model requirements. Creating effective student schedules that help them achieve performance and college-readiness on-time. Coaching of school staff and teachers in helping them implement school culture, schedules, and discipline policies more effectively and consistently. Managing escalated student discipline issues. 	<ul style="list-style-type: none"> School Principal

Assistant Principal of Operations	<ul style="list-style-type: none"> • Coordination of purchasing and reimbursements • Oversight of time-effort sheets • HR Paperwork and support • IT Supervision • Provided database training • Facilities and maintenance oversight • Coordination and oversight of Catering/Lunch services 	<ul style="list-style-type: none"> • School Principal
Regional Superintendent	<ul style="list-style-type: none"> • Attainment of high performance by all schools within their region. • Delivery of high quality leadership and culture coaching. • Performance level monitoring of all schools using Concept Schools' metrics and metrics required by the authorizer/state. • Understanding performance gaps within schools and ensuring school leaders have action plans to address those gaps. 	<ul style="list-style-type: none"> • Concept Schools Chief Academic Officer • CEO
CFO	<ul style="list-style-type: none"> • Effective, timely, and quality delivery of school support services. • Meeting Concept Schools' model requirements for operations. • Understanding performance gaps around operations within schools and ensuring school leaders and business managers have action plans to address those gaps. 	<ul style="list-style-type: none"> • Concept Schools CEO
Regional Treasurer	<ul style="list-style-type: none"> • Effective, timely, and quality delivery of school support services within their region. • Meeting Concept Schools' model requirements for operations. • Understanding performance gaps around operations of schools within their region and ensuring school leaders and business managers have action plans to address those gaps. 	<ul style="list-style-type: none"> • Regional Superintendent • CFO

Growth Strategy

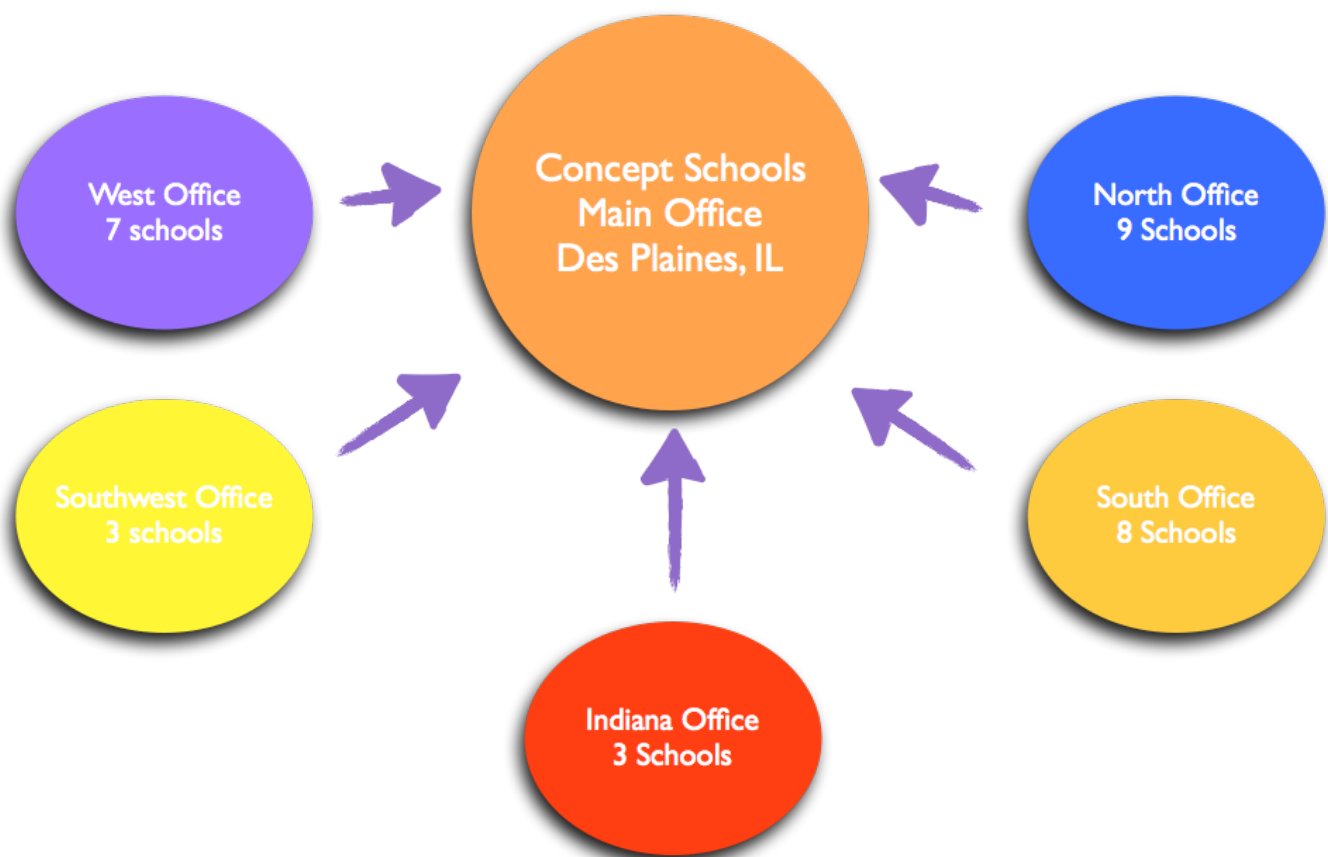
Over the past 16 years, Concept Schools has grown organically to 30 schools with a high concentration of schools in Ohio. Four additional schools are planned to open by the school year 2017-2018. The current locations developed in an opportunistic way and were based on where the Concept School founders had the strongest relationships with the community and authorizers. Today, Concept Schools has embarked on a more deliberate strategy to create additional growth while maintaining school quality and fidelity to the Concept Schools' model.

The attributes considered when selecting new school sites in this growth strategy are the following:

1. Concept Schools wants to have an impact and be the dominant player within Midwest states including Illinois, Indiana, Michigan, Minnesota, Missouri, Ohio, and Wisconsin.
2. Focus on the larger urban areas that have significant needs for better education options.
3. Build clusters of schools around large urban areas to provide the right level of impact on the community, enabling students to start in a Concept School in kindergarten and to graduate from a Concept School in high school, and to enable Concept Schools to regionalize its support more effectively.
4. The level of difficulty to launch a new charter school. (dimensions: logistical, financial, regulatory, and political)

5. Availability of principals and teachers to staff new and existing schools—preferably from other Concept Schools.
6. Financial – availability of startup capital and facilities funding as well as strong predictable level of per-pupil funding.
7. Internal capacity of Concept Schools to support additional schools.

Concept Schools currently operates five major clusters of schools. Each cluster has a regional superintendent who can provide support for up to 10 schools.





The following are potential new school locations with targeted start dates:

School #	School Type	Student Pop. @ Capacity	Approx Start +/- 1 yr	Metro Region	Cluster
31	9-12	600	2017	St. Louis, MO	Missouri
32	K-8	600	2018	Chicago, IL	Illinois
33	K-8	600	2018	Minneapolis, MN	Minnesota
34	K-8	600	2018	Detroit, MI	Michigan

New School Cultivation

Concept Schools believes it is important that each of its schools is viewed by the local community as the local community's school. In other words, the local community (e.g. families, civic leaders, business community) wants the school, views the school as its own, and sees the school as a solution to improve education for their children. With this belief, Concept School conducts the following activities to cultivate demand for its schools:

- Build relationships with local community leaders and families and works to help them become aware and understand what a Concept school looks like and what it can do for the community and generate their support. "Concept Schools seeks to provide choice to urban families and communities that would otherwise not have access to high quality education options in math, science, technology, engineering, and math education."
- Understand the process and what support is needed to get a new charter school approved and develop a strategy to accomplish approval.
- Determine possible locations.
- Determine any unique financial characteristics including funding available and unique costs.
- Determine potential timing of a new school start.

New School Startup Process

Concept Schools new site development process generally requires one to two years to complete from cultivation, approval, to door opening. Each new Concept School must be developed in a manner that the school is able to be operationally sound and sustainable.

Concept Schools' Executive Board is vested with the authority to approve launching a new Concept School. The Concept Schools' Executive Board will vote to formally allow the launch and ongoing operation of a new Concept School only when each of the following guideposts being met:

1. Identified Champion -- A Champion who will lead the start up process.



2. Reasonable Sponsor -- A local school board and/or district, state board and/or department of education, university or college, municipal body, independent chartering board, or qualified non-profit organization that will authorize and oversee our charter
3. Availability of Start-Up Grants -- Philanthropic or state/federal new school start-up grants.
4. Identification of Board Chair -- An influential, well-respected individual in the community that will lead the development of a Founding Committee and transition it into the school board.
5. Identification of Board Members -- Establish a five to nine member board with diverse expertise to govern the school.
6. Community Support -- Evidence of strong community support. E.g. letters of support from community and corporate leaders and public officials.
7. Operational Readiness -- Key programmatic and personnel objectives are met to ensure operational readiness, including community outreach, staff recruitment, transportation, food services, and curriculum planning and development.



The following outlines the major tasks in the Concept Schools' startup process:

Action Item	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
1 Board Chair and Founding Committee Identified															
2 Community Outreach															
3 Architects and General Contractors Selected *															
4 Obtain Facility Financing *															
5 Walton Family Foundation Start Up Grant Application															
6 Identification of Principal															
7 School Board Meets with Principal															
8 Principal on Board															
9 Complete Student Application Package															
10 Publish School Website															
11 Obtain Addresses															
12 Design Brochures															
13 Brochures Printed															
14 Brochures Mailed to the Community															
15 Advertisement (Media, billboard, etc)															
16 Office Space Secured and Utilized															
17 Secretary Hired															
18 Set Up Bank Accounts															
19 Set Up Accounting System															
20 Submit Application for tax Exemption															
21 Informational Meetings															
22 Approval of Policies and Procedures															
23 Teacher Recruitment															
24 Community Luncheon															
25 Approval of FY2011 Budget															
26 Policies Reviewed/Approved by the Board															
27 Administrative Positions Filled															
28 Student Application Deadline															
29 Obtain Building Permits															
30 Finalize the School Calendar															
31 Lottery															
32 Enrollment Package Sent to Accepted Students															
33 Enrollment Deadline															
34 Order Office Furniture															
35 Order Science Labs-materials/furniture															
36 Order Computer Labs- materials/furniture															
37 Order Textbooks															
38 Order School Uniforms															
39 Parent/Student Small Group Interviews															
40 Location for Teacher Institute Determined															
41 Teacher Institute															
42 Student Schedules are Done															
43 Identify Business Manager															
44 Maintenance/Cleaning Personnel Hired															
45 School Begins															
46 Food Services Identified															
47 Facility Updates/Make -up Work/New Construction															
48 Transportation services Identified/completed															
49 FY 2011 Budget Revised															
50 Complete Background Checks on Personnel															
51 Parent Orientation Night															
52 Opening Ceremony															

* Concept Schools sister company, New Plan Learning has a history of acquiring and leasing facilities for new schools; thus, providing a list of investors for facility financing as well as architects and general contractors for construction of new sites.

Academic Performance

2014-2015 State Test Results Comparison

School	City	*School % of students proficient	*District % of students proficient	*State % of students proficient or	*School % of students scoring	*District % of students proficient or	*State % of students proficient
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		or better in Reading	or better in Reading	better in Reading	proficient or better in Math	better in Math	or better in Math
HSA Belmont	Chicago	13.3%	28.5%	37.7%	6.2%	20.6%	28.2%
HSA Cincinnati	Cincinnati	52.8%	69.4%	77.8%	50.1%	60.6%	71.6%
HSA Cleveland High	Cleveland	94.2%	57.0%	77.8%	94.2%	44.8%	71.6%
HSA Cleveland Middle	Cleveland	66.8%	57.0%	77.8%	55.6%	44.8%	71.6%
CMSA	Chicago	31.5%	28.5%	37.7%	26.4%	20.6%	28.2%
HSA Columbus Elementary	Columbus	59.1%	62.8%	77.8%	50.0%	51.8%	71.6%
HSA Columbus High	Columbus	91.8%	62.8%	77.8%	90.0%	51.8%	71.6%
HSA Columbus Middle	Columbus	44.6%	62.8%	77.8%	37.6%	51.8%	71.6%
HSA Dayton Downtown	Dayton	53.2%	49.5%	77.8%	31.0%	41.3%	71.6%
HSA Dayton Elementary	Dayton	42.7%	49.5%	77.8%	26.7%	41.3%	71.6%
HSA Dayton High	Dayton	57.7%	49.5%	77.8%	57.1%	41.3%	71.6%
HSA Denison Elementary	Cleveland	56.8%	57.0%	77.8%	36.0%	44.8%	71.6%
HSA Denison Middle	Cleveland	19.8%	57.0%	77.8%	26.2%	44.8%	71.6%
GSA Fyler	St. Louis	67.2%	33.7%	NA	60.1%	22.1%	NA
GSA Smiley	St. Louis	49.2%	33.7%	NA	42.5%	22.1%	NA
GSA South	St. Louis	49.2%	33.7%	NA	42.5%	22.1%	NA
IMSA North	Indianapolis	49.0%	43.4%	66.4%	31.9%	38.2%	60.2%
IMSA South	Indianapolis	63.2%	43.4%	66.4%	19.6%	38.2%	60.2%
IMSA West	Indianapolis	36.7%	43.4%	66.4%	27.9%	38.2%	60.2%
HSA Lorain	Lorain	69.3%	65.3%	77.8%	54.7%	54.7%	71.6%
HSA McKinley	Chicago	32.5%	28.5%	37.7%	28.0%	20.6%	28.2%
Michigan MSA	Center Line	82.0%	68.0%	NA	45.3%	36.5%	NA
Milwaukee MSA	Milwaukee	18.1%	26.4%	51.2%	21.5%	16.5%	43.7%
Minnesota MSA	St. Paul	17.5%	42.5%	59.5%	23.4%	45.0%	60.2%
Noble Cleveland	Euclid	86.6%	58.1%	77.8%	58.7%	50.7%	71.6%
Noble Columbus	Columbus	61.1%	62.8%	77.8%	50.0%	51.8%	71.6%
HSA Southwest	Chicago	31.1%	28.5%	37.7%	20.7%	20.6%	28.2%
HSA Springfield	Toledo	50.5%	58.8%	77.8%	34.7%	50.8%	71.6%
HSA Toledo	Toledo	66.6%	58.8%	77.8%	55.4%	50.8%	71.6%
HSA Youngstown	Youngstown	60.1%	56.5%	77.8%	38.0%	48.4%	71.6%

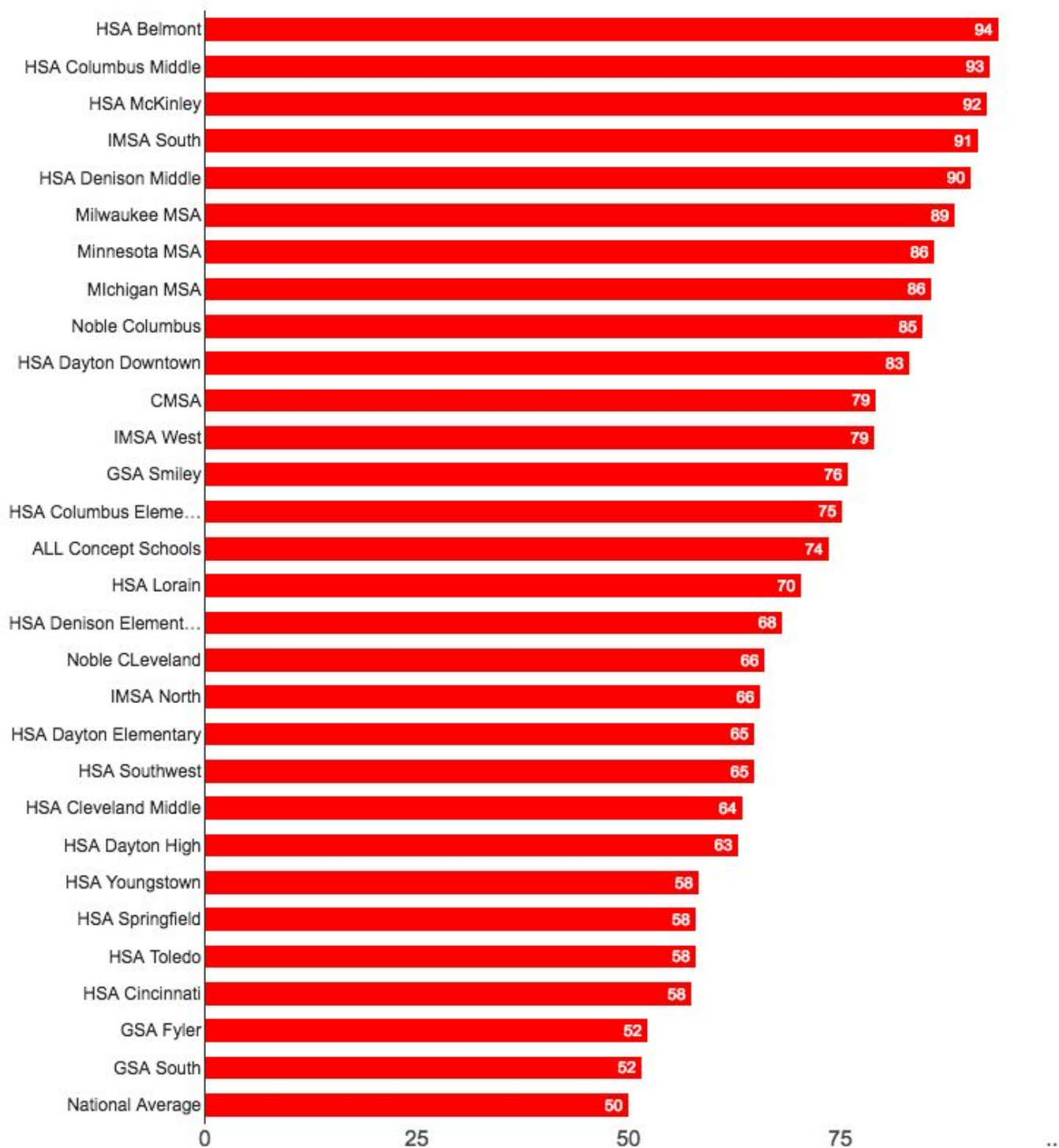
* Please note that in Ohio, the averages for each subject is calculated merely without taking the type of test into consideration. Old OGT and new PARCC was averaged by ODE causing inconsistencies since the percentages of OGT are a lot higher than PARCC.

2015-2016 NWEA Results

Math Fall 15 to Spring 16 NWEA Results

Region	School	AVERAGE of F15 Math Achievement Percentile	AVERAGE of S16 Math Achievement Percentile	AVERAGE of Math Percent Met Projected Growth	AVERAGE of Math School Conditional Growth Percentile
West	HSA Belmont	11	32	78	94
South	HSA Columbus Middle	11	24	69	93
West	HSA McKinley	38	66	78	92
Indiana	IMSA South	8	22	73	91
North	HSA Denison Middle	15	37	71	90
West	Milwaukee MSA	14	28	65	89
West	Minnesota MSA	3	12	65	86
West	Michigan MSA	8	22	72	86
South	Noble Columbus	36	56	71	85
South	HSA Dayton Downtown	10	20	67	83
West	CMSA	44	53	66	79
Indiana	IMSA West	7	16	64	79
Southwest	GSA Smiley	64	71	59	76
South	HSA Columbus Elementary	25	42	62	75
ALL Concept	ALL Concept Schools	22	32	61	74
North	HSA Lorain	28	41	60	70
North	HSA Denison Elementary	15	25	51	68
North	Noble CLeveland	44	52	57	66
Indiana	IMSA North	30	40	59	66
South	HSA Dayton Elementary	8	11	58	65
West	HSA Southwest	25	33	56	65
North	HSA Cleveland Middle	31	42	58	64
South	HSA Dayton High	6	6	52	63
North	HSA Youngstown	18	23	51	58
North	HSA Springfield	20	24	53	58
North	HSA Toledo	10	18	50	58
South	HSA Cincinnati	2	4	52	58
Southwest	GSA Fyler	75	74	48	52
Southwest	GSA South	48	50	46	52
National	National Average			50	50

2015-2016 Spring MATH CGP Comparison

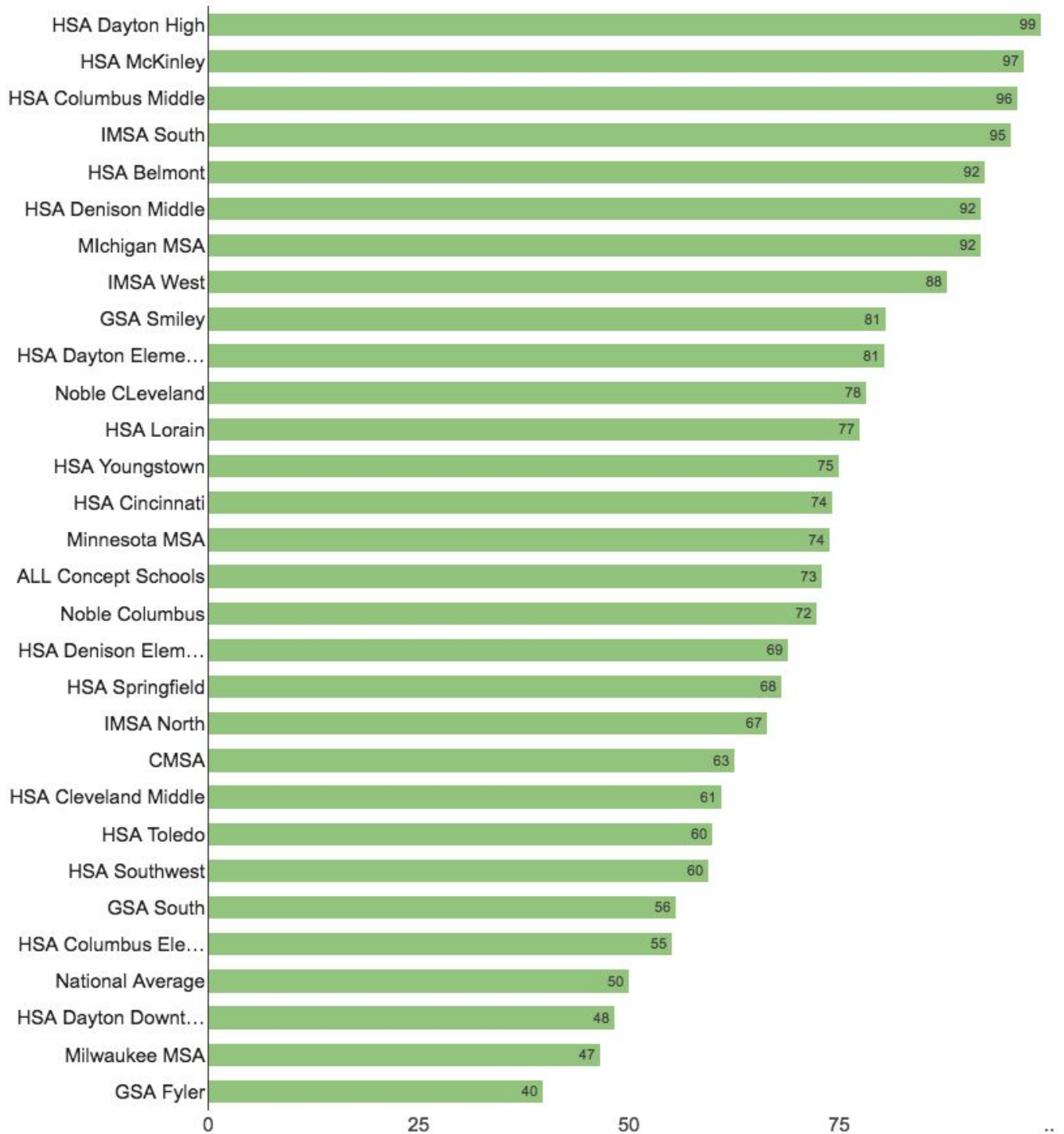




Reading Fall 15 to Spring 16 NWEA Results

Region	School	AVERAGE of F15 Reading Achievement Percentile	AVERAGE of S16 Reading Achievement Percentile	AVERAGE of Reading Percent Met Projected Growth	AVERAGE of Reading School Conditional Growth Percentile
South	HSA Dayton High	4	21	84	99
West	HSA McKinley	34	64	76	97
South	HSA Columbus Middle	12	28	66	96
Indiana	IMSA South	9	26	68	95
West	HSA Belmont	20	40	72	92
North	HSA Denison Middle	15	46	72	92
West	Michigan MSA	10	29	70	92
Indiana	IMSA West	9	26	67	88
Southwest	GSA Smiley	70	79	59	81
South	HSA Dayton Elementary	10	20	60	81
North	Noble CLeveland	54	68	60	78
North	HSA Lorain	33	48	65	77
North	HSA Youngstown	19	29	57	75
South	HSA Cincinnati	3	9	64	74
West	Minnesota MSA	5	14	58	74
ALL Concept	ALL Concept Schools	25	36	60	73
South	Noble Columbus	34	47	57	72
North	HSA Denison Elementary	14	28	60	69
North	HSA Springfield	20	30	58	68
Indiana	IMSA North	35	44	56	67
West	CMSA	37	41	57	63
North	HSA Cleveland Middle	46	50	55	61
North	HSA Toledo	19	22	49	60
West	HSA Southwest	30	34	51	60
Southwest	GSA South	58	59	46	56
South	HSA Columbus Elementary	31	39	54	55
National	National Average			50	50
South	HSA Dayton Downtown	7	12	50	48
West	Milwaukee MSA	16	16	52	47
Southwest	GSA Fyler	82	77	41	40

2015-2016 Spring READING CGP Comparison





4 and 5 Year High School Graduation Comparison in 2014-2015

School	City	Year Opened	School 4 Year Grad.	District 4 Year Grad.	State 4 Year Grad.	School 5 Year Grad.	District 5 Year Grad.	STATE 5 Year Grad.
HSA Cincinnati	Cincinnati	2005	68.8%	71.2%	82.2%	84.0%	77.9%	84.5%
HSA Cleveland High	Cleveland	1999	85.3%	66.1%	82.2%	82.0%	72.8%	84.5%
CMSA	Chicago	2004	90.0%	76.8%	85.6%	94.0%	82.2%	87.7%
HSA Columbus High	Columbus	1999	83.1%	74.1%	82.2%	82.8%	82.1%	84.5%
HSA DAYTON High	Dayton	2009	63.9%	72.2%	82.2%	56.9%	78.0%	84.5%
IMSA North	Indianapolis	2010	88.9%	72.1%	90.0%	82.8%	74.3%	91.0%
Michigan MSA	Center Line	2009	93.9%	77.4%	79.8%	93.3 %	77.7%	82.0%
HSA Toledo	Toledo	2004	67.6%	63.9%	82.2%	63.6%	71.4%	84.5%

Governance & Leadership Plan

Board Development

It is important that Concept Schools both at national level and at each individual school site have qualified board members with the right expertise and who are informed about their obligations and roles as board members.

Concept Schools will conduct an annual board expertise assessment to determine gaps and make recommendations for board recruitment and re-nomination. The following collective expertise is desired:

Concept Schools National Board of Directors	School Site Board of Directors
Finance Academics National Education Reform High Performance School Models Organizational Scaling and Culture Marketing Public Relations and Communications Advocacy Legal Fund Development	Academics School Management Marketing Finance Legal Operations Fund Development Non-Profit Management Business Management



Concept Schools will recommend staggered renewable terms for current board members ranging from one to three years. Concept Schools will also work toward building more racially and gender diverse boards.

Concept Schools will facilitate annual board retreats for its own board of directors as well as at each school site. At these board retreats, the following issues will be discussed:

1. Organizational performance compared to plan.
2. Strategic objectives, goals, and initiatives for the next year.
3. Review of charter obligations.
4. Review of board role.
5. Evaluation of board, board members, and principal.

Board Transparency

Concept Schools will post and update Concept School board member and advisory board member bios on the Concept Schools' web sites and post school board member bios and terms on each school's web site.

Each charter school board will conduct itself in the following manner:

- Comply with open meeting laws.
- Post all meeting agendas and minutes of board official actions on school websites.
- Conduct an annual conflict of interest disclosure and have policy for resignation of board members that have or will have conflicts of interest.

Concept Schools Board of Directors

NAME	BOARD POSITION	MEMBER SINCE	PROFESSIONAL TITLE	ORGANIZATION	EMAIL
Murat Surucu, Ph.D.	President	8/4/12	Medical Physicist	Radiation Oncology Department, Loyola University Medical Center	surucumurat@yahoo.com
Omer Topaloglu, Ph.D.	Member	12/13/2014	Assistant Professor of Marketing	Eastern Illinois University	otopaloglu@eiu.edu
Ayhan Zora, Ph.D.	Secretary	7/25/2009	Senior Engineer	John Deere Power Systems	ayhanzora@yahoo.com
Ahmet Uysal, Ph.D.	Member	9/14/2013	Post Doctoral Fellow	Argonne National Laboratory	ahmetuysal@gmail.com
Stephanie Gladden	Member	1/25/2014	Branch Manager	Stivers Staffing Services	tonigladden@sbcglobal.net



Concept Schools is a 501 (c) 3 organization governed by board of directors. There was no board member turnover in the last two and half years. Concept schools CEO/President Mr. Duman reports to the board. Concept Schools leaderships conducts a multi rater performance evaluation annually for its employees to assess the quality of services provided to managed schools. The quality of services are also analyzed and feedback is provided ongoing basis during the monthly superintendent meetings, weekly principal meeting and monthly board meetings. School boards also conduct CMO evaluation annually.

Role of Regional Superintendents

The Regional Superintendents provide leadership coaching and evaluation to school principals and school site leadership teams. The majority of their time is spent performing the following activities:

- Bimonthly (minimum) school site visits and periodic attendance to school site team meetings and board meetings.
- Phone, email, and in-person support for principals.
- Evaluation of fidelity to the Concept School's model, evaluation of the strength and consistency of the school culture, and providing active feedback to the school principal.
- Providing feedback to school principal on school plans and initiatives.
- Facilitating regional meetings, annual meetings, and professional development.
- Participation in Concept Schools Leadership Team activities.
- Organizing and participating in local advocacy, communications and public relations initiatives.

Ensure Fidelity of Model and Create Alignment

Each school site may have gaps in their fidelity to the new version of the Concept Schools' model. It is important to identify these gaps and prioritize them. Concept Schools will roll out the updated school model in the following manner:

1. Get understanding of each element of the model and agreement by the Concept Schools' Leadership Team including Regional Superintendents.
2. Regional Superintendent will perform an internal assessment of each school site for gaps and rank the issue as:
 - a. Mission Critical – gaps that must be closed right away because it causes risk and is impacting performance.
 - b. Continuous Improvement – gaps that are somewhat impacting performance or risk levels and have a high likelihood of negative performance impact and risk in the near future.
 - c. Watch – gaps do not seem to be impacting performance or risk levels but could have some performance or risk impact in the future.
 - d. Innovation – school is doing something different that appears to be working to produce good results and/or to minimize risks.



3. Regional Superintendents will meet with each school leadership team to discuss the updated model and gaps areas.
4. Regional Superintendent will work with each school leadership team to get agreement to gaps and facilitate action planning to close mission critical and continuous improvement gaps.

Continual Improvement Culture

Concept Schools Leadership Team and each School Leadership Team should be “obsessed with failure” and be constantly looking for ways things can be improved. Each team will:

- Create a series of performance indicators that they will check on a specified routine basis that could be early-warning indicators of problems.
- Evaluate themselves against the Concept Schools’ model to measure the quality and fidelity of implementation.
- Set and benchmark against goals monthly.
- Discuss performance indicator results, achievement toward goals, and evaluation results at each of their team meetings.

Academic Program Plan

Concept Schools’ academic program was developed in a collaborative effort between colleagues from various Concept schools. Here are some of the highlights;

- It is designed to be dynamic, relevant and engaging for our demographic of inner city, 21st century learners.
- Embraces the learning style of the Millennial Generation
- Incorporates rich materials and methods that help make timeless ideas relevant to our students universally
- Embeds college-readiness standards, 21st century skills, and technology standards with academic content standards (common core standards for math and reading) and reaches out in interdisciplinary directions
- Provides flexibility, while it authentically engages students through an immersion in a contemporary context enabling them to enter and confront the issues of their everyday lives.
- Creates more opportunities for the students to learn 21st century skills (collaboration, team work, research, critical thinking, communication, presentations) in the context of core subjects and newly created block scheduled interdisciplinary courses
- Provides opportunities for applying 21st century skills across content areas and for a competency - based approaches to learning
- Enables innovative learning methods that integrate use of supportive technologies
- Encourages the integration of community resources beyond school walls
- Moving beyond state standards. While this document presupposes acceptance of the common core standards, each classroom will still be responsible for the state standards. It is no longer enough to merely “cover the standards”; they must be covered and then surpassed. Standards are also recursively covered throughout the year.



- A student-centered classroom. While direct instruction is still necessary at times, the bulk of the class time will be devoted to project-based, activity-based, hands-on, interactive learning. This curriculum is designed to encourage, if not demand, creativity from the teacher and the student.

Integrate Engineering

Engineering is part of every newly created school site. For existing school sites, engineering will be integrated into the schools' program over a three year period.

Integrate Technology

Effective technology integration is achieved when its use supports curricular goals. It must support four key components of learning: active engagement, participation in groups, frequent interaction and feedback, and connection to real-world experts. Concept Schools will make improvements on its curriculum to reflect these four key components.

Build on School Culture

Concept Schools will focus on establishing a culture that values and celebrates success, teaches shared values, sets high expectations, builds pride, and fosters a sense of community and belonging. The culture and climate of the school incorporates five essential attributes:

- **Focus on Student Achievement** - Concept Schools will have a laser-like focus on student achievement and work relentlessly to help students excel in the classroom, on standardized tests and other objective measures.
- **High Expectations** - Students, parents, teachers, and staff will create and reinforce a culture of achievement and support, through a range of both formal and informal rewards and consequences for academic performance and behavior.
- **Commitment** - Students and parents will select Concept Schools as a choice. Because of the lengthened school day and year and the high standards the curriculum will require, the commitment of parents, teachers, staff, and students will be critical for each student's success.
- **Determination** - Teachers will do what needs to be done to help students be successful but ultimately success rests on the determination of the student.
- **Involvement** - Successful schools require great student and parent/family involvement. Parents/families and teachers should expect to participate in helping students learn through projects, competitions, trips, educational camps, and other school-related activities.

Concept Schools will be founded on six core values: respect, responsibility, integrity, courage, curiosity and effort. Teachers and staff will be expected to model these core values in all behaviors inside and outside the classroom. These core values will provide students with the opportunity for self-improvement, individual growth, and character development. They will define the rules and behavioral expectations for students. Students will be expected to encourage their peers to adhere to these values and school authorities will manage student conduct according to these values.

Concept Schools' teachers will review the core values in homeroom every day. They will mentor, model, and guide the students on the values. Homeroom will begin with announcements from the



school administration. Students will be asked to recite the Pledge of Allegiance and the Concept Schools pledge (below). Concept Schools pledge reads as follows:

“As a valuable member of Concept Schools’ community, today I commit myself to growth, achievement, and success. I am respectful, responsible, courageous, curious, honest, and hardworking. I pledge to use the tools I have been given to realize my talents, fulfill my dreams, and attain my goals. I am on a quest to be the best. ”

Students, parents and staff will be recognized for their achievements. Student assemblies also will be used to build the culture in which Concept Schools’ students will thrive and attain their goals. At assemblies, the student of the month will be recognized. Recognition also will highlight positive behavior, success in and out of school, and performance in specific areas. Staff members of Concept Schools will be actively involved in the assemblies to build a positive and strong relationship with the students. The assemblies also will integrate student accountability into activities.

Students, faculty, and staff will be encouraged to know everyone in the school and call them by name. Concept Schools will develop a tradition of the Long Walk in which members of the school community will attempt to identify each person at the school by first and last name.

All Concept Schools students will be required to wear uniforms as part of establishing the school culture. Students will wear branded school shirts with an option of khaki or navy blue pants. School shirts will be available for sale from the school. Students scheduled to enroll in the school who cannot afford to purchase the school shirts will be able to request assistance.

As part of the culture, Concept Schools will have a closed campus. This will foster a stronger community on campus. A closed campus allows for greater supervision of students, keeping them focused on academics first and sending the message that community well being can be more important than individual choice. Middle school students will have a distinct environment separate from the high school students.

Discipline is a part of the school culture and climate. A challenging curriculum, dedicated teachers and proper materials are critical to learning but so is a safe and secure learning environment. The dean of students along with the principal will be responsible for maintaining discipline and safety at Concept Schools. Concept Schools will implement a school-wide discipline policy that reflects high standards and expectations. Staff will be trained on the school-wide discipline policy to ensure consistent, accurate, and fair application of the policy. The discipline policy will be communicated to all parents/families and students before the opening of school through small group presentations and training.

Concept Schools will focus on building a community where members feel comfortable with each other, support each other, and have a sense of belonging. Providing students with an environment that is socially and emotionally safe and supportive is critical to the success of the school. Therefore, Concept



Schools will have an advisory system. Each teacher will be assigned a small group of students to advise, mentor, and help with academic, social, and emotional needs. Teachers will organize additional events with their group of students outside the school in order to build a sustainable and healthy relationship. Advisors will conduct home visits to their students to assist in building a relationship with their parents, as well. Advisors will be the primary contact for parents regarding their children. The advisory system, along with the homeroom, which is also focused on community-building activities, will foster an environment that allows students to be socially and emotionally safe. Students' sense of belonging and community will increase self-esteem and lead to greater success.

Human Capital Plan

The purpose of Concept Schools' Human Capital plan is to successfully recruit, develop, and retain highly qualified personnel for its schools. This plan will be executed by the Regional Superintendents with the support of the Chief Academic Officer. The human resource compliance function that compliments and supports the Human Capital Plan and will be the responsibility of the Regional Treasurer with the support of the CFO.

Filling the Pipeline with Candidates

It is Concept Schools' belief that the best school leaders and administrators will be developed from within—those who have worked within the Concept Schools' model and who demonstrate good leadership potential.

However, for new candidates, Concept Schools will continue recruiting highly qualified teachers and school leaders from within the U.S. as well as from other countries.

Recruitment sources will include:

- Partnership with regional university and college schools of education.
- Regional job postings on education sites.
- Partnership and recruitment from foreign universities and colleges.

Concept Schools will work with school principals to formally identify teachers with high leadership potential and sponsor them to get their administrative credentials so they may run a school within the next 2 years. If each school can identify 3-4 candidates, this will be more than enough to create enough principals to satisfy Concept Schools' growth plans.

Screening for Right Team Members

Concept Schools will develop a series of screening tools and protocols. Effective screening looks at attitude, experience, credentials, and internal life belief system.



The attributes of successful Concept Schools' teachers will be studied to develop a series of questions that can identify high potential candidates. For example, under attitude, one may look for people that live their lives in a "do-whatever-it-takes" manner.

Professional Development

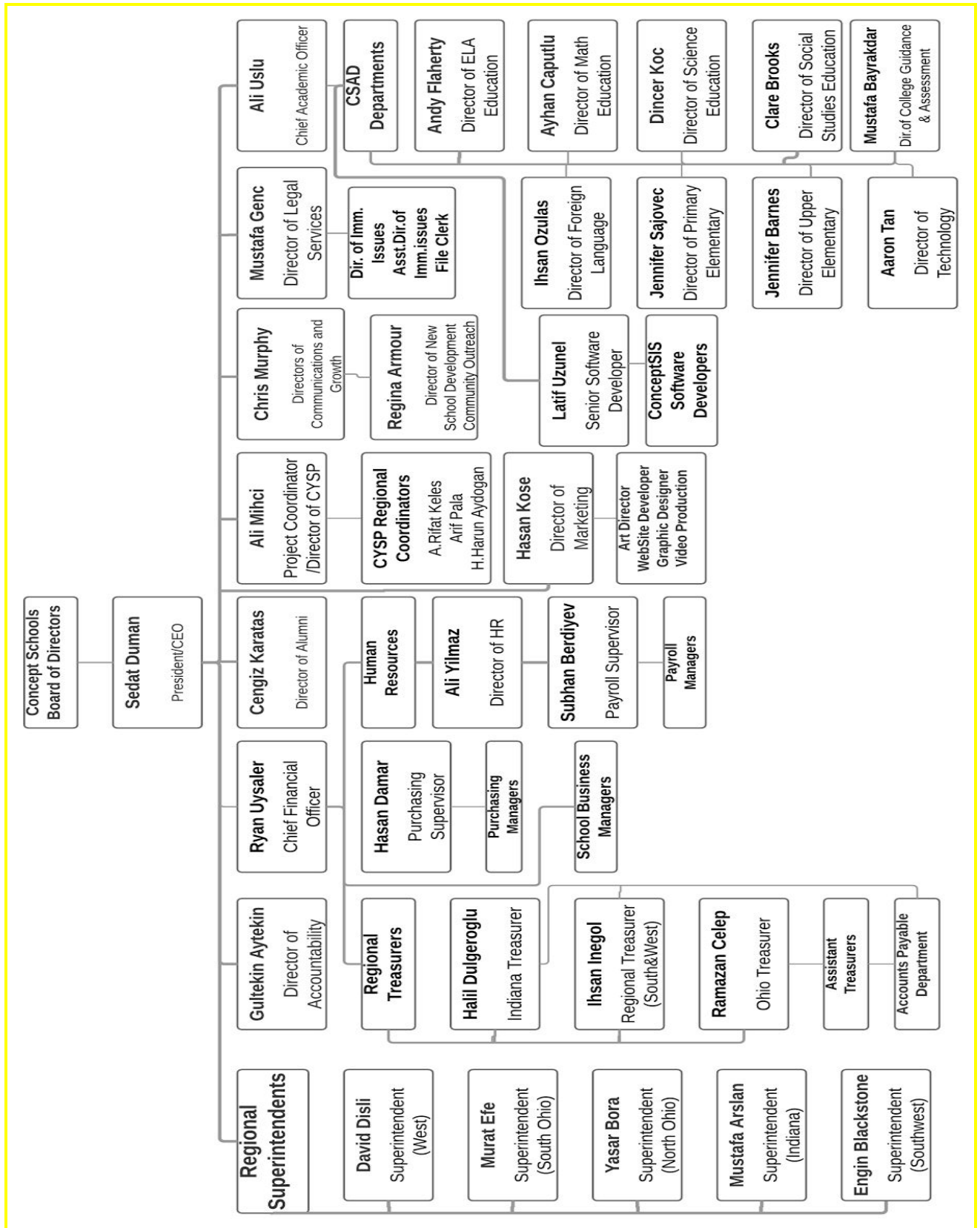
All new teachers go through a mandatory 3-day New Teacher's Institute in addition to the annual 5-day Teacher's Institute. All teachers are required to attend the annual 5-day Teacher's Institute. In addition, each teacher is part of a number of grade level and subject level learning communities and possibly school site leadership teams.

New school site principals first serve as assistant principals or instructional coordinators in another Concept School and are personally mentored by both the school Principal and the Regional Superintendent. The Regional Superintendent signs off on potential principal candidates to become principals.

Evaluating Performance

Each team member is evaluated yearly using a 360 degree evaluation process including a self evaluation. Based on the 360 degree evaluation, the each team member will develop an action plan to create professional growth and opportunity, close performance gaps, and to set performance goals for the next year.

Concept Schools Organization Chart





Operational Plan

Tax Exemption status for Concept Schools

Concept Schools is a non-profit organization and obtained a 501(c) 3 tax exemption status in 2014.

Information Systems

Concept Schools maintains the following major systems to support its operations:

System	Description	Action
Concept Student Information System	Proprietary student information and assessment system.	Develop transcript and e-forms modules by the end of June 2012
Financial System	Quick Books	Upgrade to mid-range system that will allow for better accounting controls and cost/project accounting
Satisfaction Surveys	For students, parents, and staff	Continue to conduct surveys for staff, students, parents, and community.
ConceptSIS Curriculum Module	For teachers	It is effectively implemented for core subjects. Add non-core subjects to the system
ConceptSIS Evaluation System	It is a comprehensive evaluation system for all staff at Concept Schools	It is effectively implemented across the network.
School Website Template	Template web site that can be modified by school	It is effectively implemented and ongoing support is provided by Concept staff.
Collaboration System	Google Docs and Google Groups that enables web access to school model resources including protocols, policies, and procedures.	Continue to post updated and new protocols, policies, and procedures.
Performance Dashboards	Various Excel and PowerPoint Tools	Refinement to include standard set of dashboards including school site, region, school site department, and grade-level.

Business Development Plan

Continue to Build Brand Awareness and Reputation

The benefits for Concept Schools in building brand awareness and reputation include the following:

- Build demand by communities for Concept Schools that makes it easier to recruit students.
- Makes it easier to get schools approved.
- Makes it easier to raise funding.

Concept Schools continues to build brand awareness and reputation nationally in communities and states it has concentration of schools.



To continue to build brand awareness and reputation, Concept Schools will continue to perform the following activities:

- Formal press releases will be generated for major school successes and year-end results that highlight the individual school as well as talks about the success of Concept Schools as a whole. This will be distributed to the media of the local communities where the school is located as well as to state charter school associations, foundations, National Association for Charter School Authorizers and the National Alliance for Public Charter Schools.
- Engage public relations firm to develop stories that puts Concept Schools as a leader in helping to close the achievement gap and changing education.
- Build a library of student, parent, and community member testimonials in video and/or written form about their experience with Concept Schools and how it changed their lives or their community.
- Concept School principals, teachers, students, and leadership team members will on a monthly basis participate in speaking engagements to community groups, civic groups, education conferences, and neighborhood groups. Their talks should highlight their beliefs about what is possible in public education and what Concept Schools has accomplished.

Advocacy Plan

State Level

As Concept School grows within its target states, it will be impacted greatly by state and regional level political and policy issues encountered by the charter school movement. As one of the premier charter school operators, it is important that Concept School maintains a voice in the statewide charter school movement to protect its interest and to promote a healthy chartering environment. The following potential activities will be undertaken by members of the leadership team both at the national level and regional level:

- Each school will be a member of the state's charter school association. Concept Schools' leadership team works to become part of the Association's member councils, quality committees, and board of directors.
- Concept Schools leadership team and school site principals will be routinely briefed on legislative and policy issues and become part of statewide advocacy efforts conducted by the state association as needed (i.e. testimony, letters of support, marches)
- Each school will be aware who their local state legislator for their area is and build relationships with them as well as their staff. They will orchestrate legislator visits to their school.
- Individual members of the Concept Schools' leadership team and principals will become active in political action committees that support candidates that are strategically advantageous to Concept Schools.



Local Level

As Concept Schools builds new schools, it will be important that any political body that has a say or influence in approving or disapproving a Concept School charter is managed proactively. Concept Schools will conduct local advocacy in the following ways:

- Build relationship with each person that has a vote as well as with their staff members. Send them information about Concept Schools, success stories, and results.
- Build relationships with key people and organizations that can influence positively the people who have a vote.
- The regional leadership teams should become active and visible within their communities civic, neighborhood, and business groups.

Financial Sustainability

The goal of Concept Schools is that each school site, when fully enrolled, will be fully sustainable with standard per pupil funding and minimal outside funding.

Risks and Opportunities

- Risk: Certain Concept School sites fail or significantly underperform. Response: Continual monitoring for performance issues and gaps catches critical issues early. Leadership team structure enables issues to be surfaced and decisions to be made quickly.
- Risk: Charter school caps and moratoriums are placed in target regions. Response: Concept Schools will focus building out in other target regions or new target regions.
- Risk: Charter school funding is significantly affected negatively. Response: Concept Schools will manage expenses in a way to not compromise the fidelity of the model. However, if funding cuts will impact fidelity of the model, Concept Schools will consider winding down the school.
- Risk: Concept Schools cannot scale its operations smoothly. Response: Concept Schools is moderate its growth until operational issues are worked out.
- Risk: Concept Schools has difficulty maintaining consistent fidelity of model, culture, and performance among its school sites. Response: Concept Schools will moderate growth and double up efforts around continuous improvement and leadership coaching.
- Risk: Concept Schools cannot recruit the number of teachers and principals it needs. Response: Concept Schools will need to ramp up recruitment efforts and/or slow new school growth.



- Risk: Concept Schools has difficulty raising the funding it needs to open more schools. Response: Concept Schools will slow growth or open up schools in areas where funding is more readily available.
- Opportunity: Certain target regions and states become high priority in foundation and/or government funding.
- Opportunity: Certain new regions and states become high priority in foundation and/or government funding.
- Opportunity: Concept Schools affiliates and absorbs other Science, Technology, Engineering, and Math oriented schools under its management.



Financial Plan & Budget

As it can be seen in its financial statements, Concept Schools has a sound and stable financial standing with a strong cash reserve and no note-payables. Concept financials have been audited every year along with the three schools it is operating in Chicago. Those audit reports are open to the public. Concept Schools has been waiving incurred management fees partially or totally when the schools budgets are tight.

Concept Schools 5 Year Budget Forecast

	Actual		Forecasted				
	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	2015	2016	2017	2018	2019	2020	2021
Enrollment	11697	12152	12624	12876	13520	13790	14066
				252	644	270	276
<u>Operating Receipts</u>							
Management Services	\$7,365,856	\$7,727,720	\$8,114,106	\$8,276,389	\$8,690,208	\$8,864,012	\$9,041,292
Program Registration Fees	\$119,770	\$98,815	\$100,000	\$102,000	\$104,040	\$106,121	\$108,243
Contributions & Donations	\$27,500	\$78,419	\$90,000	\$91,800	\$93,636	\$95,509	\$97,419
Other	\$45,212	\$29,568	\$35,000	\$35,700	\$36,414	\$37,142	\$37,885
Total Operating Receipts	\$7,558,338	\$7,934,522	\$8,339,106	\$8,505,889	\$8,924,298	\$9,102,784	\$9,284,840
<u>Operating Disbursements</u>							
100 Salaries and Wages	\$2,987,040	\$2,737,805	\$2,721,571	\$2,857,650	\$3,000,532	\$3,150,559	\$3,308,087
200 Employee Retirement and Insurance Benefits	\$565,201	\$502,084	\$544,314	\$571,530	\$600,106	\$630,112	\$661,617
400 Purchas Services	\$3,928,360	\$3,025,425	\$2,961,764	\$3,020,999	\$3,081,419	\$3,143,047	\$3,205,908
500 Supplies and Materials	\$136,983	\$128,045	\$128,814	\$131,390	\$134,018	\$136,699	\$139,433
600 Capital Outlay -New							
800 Other	\$262,374	\$278,238	\$216,608	\$220,941	\$225,359	\$229,867	\$234,464
Total Operating Disbursements	\$7,879,958	\$6,671,598	\$6,573,072	\$6,802,510	\$7,041,435	\$7,290,283	\$7,549,509
Net Operating Income	-\$321,620	\$1,262,924	\$1,766,035	\$1,703,379	\$1,882,863	\$1,812,501	\$1,735,331



Concept Schools FY17 Annual Budget

	FY 2015	FY 2016	Budget FY 2017
Total Enrollment	11,697	12,152	13,288
Ordinary Income/Expense		4%	9%
Income			
Management Services	7,365,856	7,727,720	8,114,106
Program Registration Fees	119,770	98,815	100,000
Contributions & Donations	27,500	78,419	90,000
Professional & Technical Serv		17,496	20,000
Other Revenues	45,212	12,072	15,000
Total Income	7,558,338	7,934,522	8,339,106
Gross Profit	7,558,338	7,934,522	8,339,106
Expense			
100-Salaries			
Payroll	2,987,040	2,737,805	2,721,571
Total 100-Salaries	2,987,040	2,737,805	2,721,571
200-Benefits			
Life, STD & LTD Insurance		1,974	
Medicare	41,031	37,263	
FICA (Soc Sec)	173,527	157,605	
Health Insurance	338,350	279,813	
Dental Insurance	11,986	23,094	
Unemployment Compensation	-9,300	393	
Workers Compensation	9,607	1,941	
Total 200-Benefits	565,201	502,084	544,314
400-Purchased Services			
Management Services	1,492,930	1,673,880	1,700,000
Program Expenses	264,186	150,007	157,507
Accounting Services	58,120	53,263	55,000
Advertising	7,723	22,395	25,000
Consulting Services	40,921	62,500	65,000
Dues and Subscriptions	4,693	6,080	6,500
Electricity	7,502	4,428	5,000
Equipment Rental	11,387	4,095	4,000
Gas	2,883	1,724	2,000
Health Services	1,301	0	
Human Resource Services	10,809	42,524	25,000
Auto Lease Expense	873		
Legal Services	1,302,956	409,423	300,000
Maintenance & Repairs-Building	5,604	3,316	3,500
Maintenance & Repairs-Vehicle	1,066	1,391	1,500
Moving & Nonrecurring Expenses	2,779	5,642	2,500
New School Development	1,490		
Postage and Delivery	24,270	24,031	25,000
PR Expenses	116,635	46,910	50,000
Printing and Reproduction	45,182	64,647	67,880
Prof Develop - Seminar & Worksh	35,668	55,851	58,644

Professional & Technical Serv	121,837	33,832	35,524
Building Rent	175,520	161,723	164,957
Student Exchange Program	1,328	22,540	23,667
Telecommunications	21,417	17,645	18,174
Testing Services	2,800	2,330	2,400
Travel Expenses	166,293	155,248	163,011
Water & Sewage	187		
Total 400-Purchased Services	3,928,360	3,025,425	2,961,764
500-Supplies and Materials			
Program Expenses	26,562	21,573	22,220
Company Vehicle Expenses	3,596	1,119	1,152
Educational Supplies&Materials	9,054	1,170	1,206
Food & Entertainment	20,017	40,683	42,718
Furniture & Equipment	214	8,627	5,000
Maintenance & Cleaning Supplies	333	170	175
Office Supplies	58,741	39,756	40,949
Software & Hardware	18,465	14,947	15,395
Total 500-Supplies and Materials	136,983	128,045	128,814
800-Misc Objects			
Gifts & Incentives	47,731	66,538	69,865
Scholarship	745	39,435	41,407
Academic & Sport Fees	2,020	2,207	2,317
Bank Service Charges	3,380	2,022	2,123
Contributions & Memberships	21,829	30,017	31,518
Donated to Member Schools	90,200	26,878	28,222
Insurance; Auto	3,033	509	535
Insurance; Liability&Property	27,105	7,894	8,289
Licenses, Fees, Permits	375	761	799
Other Dues & Fees	1,999	1,177	1,236
Interest	774	747	784
Penalty	573	11,544	12,121
Taxes	1,730		0
Payroll Service	1,747	1,948	2,045
Depreciation	55,433		0
Loss on Sale of Asset	270		0
Miscellaneous	3,432	14,615	15,346
Total 800-Misc Objects	262,374	206,294	216,608
Total Expense	7,879,958	6,599,653	6,573,072
Net Ordinary Income	-321,620	1,334,868	1,766,035

FY 2008-FY2016 Total Management Fees

Fiscal Year	Management Fee	IMSA- North	IMSA- South	IMSA- West	Total
2008	Incurring			\$90,053	\$90,053
	Forgiven				\$0
	Charged	\$0	\$0	\$90,053	\$90,053
2009	Incurring			\$119,020	\$119,020
	Forgiven				\$0
	Charged	\$0	\$0	\$119,020	\$119,020
2010	Incurring			\$229,796	\$229,796
	Forgiven				\$0
	Charged	\$0	\$0	\$229,796	\$229,796
2011	Incurring	\$223,462		\$265,527	\$488,989
	Forgiven				\$0
	Charged	\$223,462	\$0	\$265,527	\$488,989
2012	Incurring	\$228,261		\$407,205	\$635,466
	Forgiven				\$0
	Charged	\$228,261	\$0	\$407,205	\$635,466
2013	Incurring	\$339,269	\$327,456		\$666,725
	Forgiven				\$0
	Charged	\$339,269	\$327,456	\$0	\$666,725
2014	Incurring	\$365,025	\$242,885	\$407,247	\$1,015,157
	Forgiven		\$11	\$556	\$567
	Charged	\$365,025	\$242,874	\$406,691	\$1,014,590
2015	Incurring	\$526,682	\$228,817	\$407,521	\$1,163,020
	Forgiven	\$294,547	\$132,647	\$53,303	\$480,497
	Charged	\$232,135	\$96,170	\$354,218	\$682,523
2016	Incurring	\$467,636	\$238,719	\$368,597	\$1,074,952
	Forgiven	\$147,636	\$223,772	\$61,807	\$433,215
	Charged	\$320,000	\$14,947	\$306,790	\$641,737
Total	Incurring	\$2,150,335	\$1,037,877	\$2,294,966	\$5,483,178
	Forgiven	\$442,183	\$356,430	\$115,666	\$914,279
	Charged	\$1,708,152	\$681,447	\$2,179,300	\$4,568,899

Acknowledgement and General Information for Taxpayers Who File Returns Electronically

Thank you for taking part in the IRS e-file Program.

Concept Schools, Inc.
2250 E Devon Avenue Suite 302

Des Plaines, IL 60018

- [X] Your Form 990 / Form 990-EZ, Return of Organization Exempt from Income Tax for tax year June 30, 2015 is being filed electronically with the IRS by the services of Mulcahy, Pauritsch, Salvador & Co., Ltd..
- [X] Your return was accepted by the IRS on 01/20/16 and the Submission Identification Number assigned to your return is 36130920160200005689.

Since you are filing your return electronically, PLEASE DO NOT SEND A PAPER COPY OF YOUR RETURN TO THE IRS. IF YOU DO, IT WILL DELAY THE PROCESSING OF THE RETURN.

Acknowledgement Process

The IRS will notify your electronic return originator when they accept your return, usually within 48 hours. If your return was not accepted, IRS will notify your electronic return originator of the reasons for rejection.

If You Need to Make a Change to Your Return

If you need to make a change or correct the return you filed electronically, you can send either an amended electronic tax return or you can send an amended Form 990 / Form 990-EZ, Return of Organization Exempt from Income Tax, to the IRS submission processing center that processes paper returns for your area.

Forms 990 / 990-EZ Return Summary

For calendar year 2014, or tax year beginning 07/01/14 , and ending 06/30/15

03-0503751

CONCEPT SCHOOLS, INC.

Net Asset / Fund Balance at Beginning of Year 6,301,041

Revenue

Contributions	<u>1,149,679</u>	
Program service revenue	<u>20,663,505</u>	
Investment income		
Capital gain / loss		
Fundraising / Gaming:		
Gross revenue		
Direct expenses		
Net income		
Other income	<u>202,865</u>	
Total revenue		<u>22,016,049</u>

Expenses

Program services	<u>19,116,804</u>	
Management and general	<u>1,637,974</u>	
Fundraising		
Total expenses		<u>20,754,778</u>
Excess / (deficit)		<u>1,261,271</u>
Changes		<u>-411,409</u>

Net Asset / Fund Balance at End of Year 7,150,903

Reconciliation of Revenue

Total revenue per financial statements	<u>22,919,199</u>
Less:	
Unrealized gains	
Donated services	
Recoveries	
Other	<u>903,150</u>
Plus:	
Investment expenses	
Other	
Total revenue per return	<u>22,016,049</u>

Reconciliation of Expenses

Total expenses per financial statements	<u>21,817,046</u>
Less:	
Donated services	
Prior year adjustments	
Losses	
Other	<u>1,062,268</u>
Plus:	
Investment expenses	
Other	
Total expenses per return	<u>20,754,778</u>

Balance Sheet

	Beginning	Ending	Differences
Assets	<u>7,509,103</u>	<u>8,863,971</u>	
Liabilities	<u>1,208,062</u>	<u>1,713,068</u>	
Net assets	<u>6,301,041</u>	<u>7,150,903</u>	<u>849,862</u>

Miscellaneous Information

Amended return _____
Return / extended due date 02/16/16
Failure to file penalty _____

Mulcahy, Pauritsch, Salvador & Co., Ltd.
14300 S. Ravinia Ave., Ste. 200
Orland Park, IL 60462-2578
Phone: 708-349-6999
Fax: 708-349-6639
E-mail: mps@mpscpa.com

CONFIDENTIAL

Concept Schools, Inc.
2250 E Devon Avenue Suite 302
Des Plaines, IL 60018

Enclosed is the organization's 2014 Exempt Organization return which was prepared from information provided by you. We recommend that you review these returns carefully to ensure that there are no omissions or misstatements. The return should be signed, dated and mailed.

Federal Filing Instructions

None is required. Your Form 990 for the year ended 6/30/15 shows no balance due.

You are using a Personal Identification Number (PIN) for signing your return electronically. Sign the IRS e-file Authorization and mail it as soon as possible to:

Mulcahy, Pauritsch, Salvador & Co., Ltd.
14300 S Ravinia Ave Ste 200
Orland Park, IL 60462-2578

Initial and date the copies of the IRS e-file Signature Authorization and the Form 990. Retain them for your records. If previously signed and returned no further action is required for Form 8879-EO.

Your return is being filed electronically with the IRS and is not required to be mailed. Mailing a paper copy of your return to the IRS will delay the processing of your return.

Illinois Filing Instructions

The filing fee for the tax year ended 6/30/15 is \$15. Form AG990-IL must be signed and dated by two officers of the organization. Include a check payable to the Illinois Charity Bureau Fund and write "E.I.N. 03-0503751, for the tax year ended 6/30/15" on the check. Mail the return by February 28, 2016 to:

Office of Attorney General

Charitable Trust Bureau
100 W. Randolph Street, 11th floor
Chicago, IL 60601-3175

Also enclosed is any material you furnished for use in preparing the returns. If the returns are examined, requests may be made for supporting documentation. Therefore, we recommend that you retain all pertinent records for at least seven years.

In order that we may properly advise you of tax considerations, please keep us informed of any significant changes in your financial affairs or of any correspondence received from taxing authorities.

We sincerely appreciate the opportunity to serve you. Please contact us if you have any questions concerning the tax returns.

Sincerely,

Mulcahy, Pauritsch, Salvador & Co., Ltd.

Form **8879-EO****IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-1878

Department of the Treasury
Internal Revenue ServiceFor calendar year 2014, or fiscal year beginning 7/01, 2014, and ending 6/30, 20 15**Do not send to the IRS. Keep for your records.****Information about Form 8879-EO and its instructions is at www.irs.gov/form8879eo.****2014**

Name of exempt organization

CONCEPT SCHOOLS, INC.

Employer identification number

03-0503751

Name and title of officer

RYAN UYSALER**CHIEF FINANCIAL OFFICER****Part I Type of Return and Return Information (Whole Dollars Only)**

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

1a Form 990 check here	<input checked="" type="checkbox"/>	b Total revenue , if any (Form 990, Part VIII, column (A), line 12)	1b <u>22,016,049</u>
2a Form 990-EZ check here	<input type="checkbox"/>	b Total revenue , if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here	<input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here	<input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here	<input type="checkbox"/>	b Balance Due (Form 8868, Part I, line 3c or Part II, line 8c)	5b _____

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2014 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize MULCAHY, PAURITSCH, SALVADOR & CO., to enter my PIN 37510 as my signature
ERO firm name Enter five numbers, but do not enter all zeros

on the organization's tax year 2014 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2014 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature

Date

01/11/16**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

36130947530

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2014 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature

JOSEPH J. STASTNY

Date

01/11/16**ERO Must Retain This Form—See Instructions****Do Not Submit This Form To the IRS Unless Requested To Do So****For Paperwork Reduction Act Notice, see back of form.**Form **8879-EO** (2014)

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014
Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 07/01/14, and ending 06/30/15

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization <div style="text-align: center; font-weight: bold;">CONCEPT SCHOOLS, INC.</div> Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite <div style="display: flex; justify-content: space-between;"> 2250 E DEVON AVENUE SUITE 302 </div> City or town, state or province, country, and ZIP or foreign postal code <div style="display: flex; justify-content: space-between;"> DES PLAINES IL 60018 </div>	D Employer identification number <div style="text-align: center; font-weight: bold;">03-0503751</div> E Telephone number <div style="text-align: center; font-weight: bold;">847-824-3380</div> G Gross receipts\$ 22,016,049
F Name and address of principal officer: <div style="text-align: center; font-weight: bold;">SEDAT DUMAN</div> <div style="text-align: center;">2250 E DEVON AVENUE, SUITE 215</div> <div style="text-align: center;">DES PLAINES IL 60018</div>		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number
J Website: WWW.CONCEPTSCHOOLS.ORG		L Year of formation: 2002
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		M State of legal domicile: IL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: THE PRIMARY PURPOSE OF THE ORGANIZATION IS TO OPERATE CHARTER SCHOOLS AND PROVIDE OVERSIGHT AND SUPERVISION OVER THE EDUCATIONAL, TECHNICAL AND ADMINISTRATIVE FUNCTIONS OF IT'S MEMBER CHARTER SCHOOLS.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	5
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	5
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	321
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12		7a
b Net unrelated business taxable income from Form 990-T, line 34		7b	0
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	1,354,800	1,149,679
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	13,532,054	20,663,505
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-600	0
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	364,197	202,865
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	15,250,451	22,016,049
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	8,272,034	10,899,153
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25)		0
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	5,073,622	9,855,625
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	13,345,656	20,754,778
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	1,208,062	1,261,271
	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	7,509,103	8,863,971
	22 Net assets or fund balances. Subtract line 21 from line 20	1,208,062	1,713,068
		6,301,041	7,150,903

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	<div style="display: flex; justify-content: space-between;"> <div style="width: 80%;"> </div> <div style="width: 20%;">Date</div> </div>				
	<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> RYAN UYSALER Type or print name and title </div> <div style="width: 40%; text-align: center;"> CHIEF FINANCIAL OFFICER </div> </div>				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	JOSEPH J. STASTNY	JOSEPH J. STASTNY	01/11/16		P00567072
	Firm's name	Firm's EIN			
MULCAHY, PAURITSCH, SALVADOR & CO., LTD.		36-3074623			
Firm's address		Phone no.			
14300 S RAVINIA AVE STE 200		708-349-6999			
ORLAND PARK, IL 60462-2578					

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

THE PRIMARY PURPOSE OF THE ORGANIZATION IS TO OPERATE CHARTER SCHOOLS AND PROVIDE OVERSIGHT AND SUPERVISION OVER THE EDUCATIONAL, TECHNICAL AND ADMINISTRATIVE FUNCTIONS OF IT'S MEMBER CHARTER SCHOOLS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 19,116,804 including grants of \$) (Revenue \$ 19,814,444)
CHARTER OPERATION AND COMPREHENSIVE SERVICES TO ITS MEMBER CHARTER SCHOOLS

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 19,116,804

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	X	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, or IV, and Part V, line 1	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	X

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 55		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 321		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		X
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		X
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		X
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a 5	
b Enter the number of voting members included in line 1a, above, who are independent	1b 5	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a X	
b Each committee with authority to act on behalf of the governing body?	8b X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c X	
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a X	
b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	15b	X
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed IL

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records:
 RYAN UYSALER 2250 E DEVON AVE, SUITE 215
 DES PLAINES IL 60018 847-824-3380

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DR. MURAT SURUCU	1.00									
BOARD PRESIDENT	0.00	X						0	0	0
(2) OMER TOPALGLU	1.00									
BOARD MEMBER	0.00	X						0	0	0
(3) DR. AYHAN ZORA	1.00									
SECRETARY	0.00	X		X				0	0	0
(4) AHMET UYSAL	1.00									
BOARD MEMBER	0.00	X						0	0	0
(5) STEPHANIE GLADDEN	1.00									
BOARD MEMBER	0.00	X						0	0	0
(6) SEDAT DUMAN	40.00									
PRESIDENT & CEO	0.00			X				59,078	50,417	0
(7) SALIM UCAN	40.00									
VICE PRESIDENT	0.00			X				107,620	0	0
(8) RYAN UYSALER	40.00									
CFO	0.00			X				54,287	45,833	0
(9)										
(10)										
(11)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(12)										
(13)										
(14)										
(15)										
(16)										
(17)										
(18)										
(19)										
1b Sub-total								220,985	96,250	
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								220,985	96,250	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

0

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	1,116,494				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	33,185				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f		1,149,679				
Program Service Revenue		Busn. Code					
	2a PER CAPITA TUITION	900099	15,045,162	15,045,162			
	b MANAGEMENT FEES	900099	5,270,866	5,270,866			
	c INKIND REVENUE	900099	262,375	262,375			
	d CONFERENCE REGISTRATION FEES	900099	85,102	85,102			
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f		20,663,505				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)						
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
		(i) Real	(ii) Personal				
	6a Gross rents						
	b Less: rental exps.						
	c Rental inc. or (loss)						
	d Net rental income or (loss)						
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b Less: cost or other basis & sales exps.						
	c Gain or (loss)						
	d Net gain or (loss)						
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
	9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
	10a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
	Miscellaneous Revenue		Busn. Code				
11a OTHER INCOME	900099	202,865	202,865				
b							
c							
d All other revenue							
e Total. Add lines 11a-11d		202,865					
12 Total revenue. See instructions.		22,016,049	20,866,370	0	0	0	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	173,781	156,403	17,378	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	10,276,884	9,249,196	1,027,688	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	448,488	403,639	44,849	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	1,381,268	1,381,268		
12 Advertising and promotion	46,753	42,078	4,675	
13 Office expenses	536,900	483,210	53,690	
14 Information technology				
15 Royalties				
16 Occupancy	1,646,820	1,482,138	164,682	
17 Travel	255,950	230,355	25,595	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	262,375	236,137	26,238	
20 Interest	20,388	18,349	2,039	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	378,260	340,434	37,826	
23 Insurance	86,106	77,495	8,611	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PROFESSIONAL FEES	1,560,869	1,404,782	156,087	
b MANAGEMENT SERVICES	1,477,930	1,477,930		
c SCHOOL PROGRAM EXPENSE	937,027	937,027		
d PUPIL TRANSPORTATION	487,883	487,883		
e All other expenses	777,096	708,480	68,616	
25 Total functional expenses. Add lines 1 through 24e	20,754,778	19,116,804	1,637,974	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest bearing	4,259,873	1	5,336,761
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,272,854	4	621,994
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	597,000	7	730,850
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	276,355	9	222,171
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 2,546,084		
	b Less: accumulated depreciation	10b 667,993	10c	1,878,091
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	35,559	15	74,104
16 Total assets. Add lines 1 through 15 (must equal line 34)	7,509,103	16	8,863,971	
Liabilities	17 Accounts payable and accrued expenses	711,616	17	1,319,125
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties	496,446	24	393,943
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	1,208,062	26	1,713,068
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	6,230,346	27	7,106,257
	28 Temporarily restricted net assets	70,695	28	44,646
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	6,301,041	33	7,150,903
34 Total liabilities and net assets/fund balances	7,509,103	34	8,863,971	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	22,016,049
2	Total expenses (must equal Part IX, column (A), line 25)	2	20,754,778
3	Revenue less expenses. Subtract line 2 from line 1	3	1,261,271
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	6,301,041
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-411,409
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	7,150,903

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	X	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Attach to Form 990 or Form 990-EZ.

Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

CONCEPT SCHOOLS, INC.

Employer identification number
03-0503751

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
- a ☒ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
- b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
- c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
- d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
- e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations **28**
- g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) HSA – COLUMBUS 31-1657839	31-1657839	2		X		0
(B) HSA – COLUMBUS MIDDLE 20-8641415	20-8641415	2		X		0
(C) HSA – COLUMBUS ELEMENTARY 26-2061654	26-2061654	2		X		0
(D) NOBLE – COLUMBUS 20-4460475	20-4460475	2		X		0
(E) HSA – DAYTON 20-1849958	20-1849958	2		X		0
Total					0	0

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						

- 12** Gross receipts from related activities, etc. (see instructions) **12**
- 13 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

- | | | |
|--|-----------|---|
| 14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f)) | 14 | % |
| 15 Public support percentage from 2013 Schedule A, Part II, line 14 | 15 | % |
- 16a 33 1/3% support test—2014.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐
- b 33 1/3% support test—2013.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐
- 17a 10%-facts-and-circumstances test—2014.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here**. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ☐
- b 10%-facts-and-circumstances test—2013.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here**. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ☐
- 18 Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests—2014. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support tests—2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization		<input type="checkbox"/>
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions		<input type="checkbox"/>

Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.	X	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		X
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		X
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.		X
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		X
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		X
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).		X
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990).		X
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		X
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		X
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		X
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer (b) below.		X
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		X
b A family member of a person described in (a) above?		X
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .		X

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.	X	
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		X

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 Activities Test. Answer (a) and (b) below.			
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
3 Parent of Supported Organizations. Answer (a) and (b) below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .			
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1** ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year	
1	Amounts paid to supported organizations to accomplish exempt purposes		
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity		
3	Administrative expenses paid to accomplish exempt purposes of supported organizations		
4	Amounts paid to acquire exempt-use assets		
5	Qualified set-aside amounts (prior IRS approval required)		
6	Other distributions (describe in Part VI). See instructions.		
7	Total annual distributions. Add lines 1 through 6.		
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.		
9	Distributable amount for 2014 from Section C, line 6		
10	Line 8 amount divided by Line 9 amount		

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1	Distributable amount for 2014 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3	Excess distributions carryover, if any, to 2014:			
a				
b				
c				
d				
e	From 2013			
f	Total of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2014 distributable amount			
i	Carryover from 2009 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2014 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2014 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6	Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7	Excess distributions carryover to 2015. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a				
b				
c				
d	Excess from 2013 . . .			
e	Excess from 2014 . . .			

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions.)**PART I, LINE 11H - LIST OF SUPPORTED ORGANIZATIONS CONTINUED**

NAME AND EIN	TYPE	IN GOV DOC	AMOUNT	OTHER
HSA - DAYTON HIGH				
26-4574224	2		\$ 0	\$ 0
HSA - DAYTON DOWNTOWN				
27-1844067	2		\$ 0	\$ 0
HSA - CINCINNATI				
20-1850035	2		\$ 0	\$ 0
HSA - CLEVELAND				
34-1869716	2		\$ 0	\$ 0
HSA - CLEVELAND MIDDLE				
20-2011609	2		\$ 0	\$ 0
HSA - DENISON MIDDLE				
20-2003228	2		\$ 0	\$ 0
HSA - DENISON ELEMENTARY				
26-2132237	2		\$ 0	\$ 0
NOBLE - CLEVELAND				
20-4451404	2		\$ 0	\$ 0
HSA - TOLEDO				
20-0524037	2		\$ 0	\$ 0
HSA - SPRINGFIELD				
20-2004609	2		\$ 0	\$ 0
HSA - LORAIN				
26-4574311	2		\$ 0	\$ 0
HSA - YOUNGSTOWN				
27-2060536	2		\$ 0	\$ 0
CMSA				

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions.)

45-0532536	2	\$	0	\$	0
HSA - BELMONT					
03-0503751	2	\$	0	\$	0
HSA - MCKINLEY PARK					
03-0503751	2	\$	0	\$	0
HSA - SW CHICAGO					
03-0503751	2	\$	0	\$	0
IMSA - NORTH					
27-2184783	2	\$	0	\$	0
IMSA - SOUTH					
45-4992195	2	\$	0	\$	0
IMSA - WEST					
20-5751308	2	\$	0	\$	0
GSA - FLYER/SMILEY/SOUTH					
26-1425925	2	\$	0	\$	0
MICHIGAN MSA					
26-3243703	2	\$	0	\$	0
MILWAUKEE MSA					
27-1053816	2	\$	0	\$	0
MINNESOTA MSA					
46-4684051	2	\$	0	\$	0

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Attach to Form 990, Form 990-EZ, or Form 990-PF.

Information about Schedule B (Form 990, 990-EZ, 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Name of the organization

CONCEPT SCHOOLS, INC.

Employer identification number

03-0503751

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)(3) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 $\frac{1}{3}$ % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions exclusively for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

CONCEPT SCHOOLS, INC.

Employer identification number

03-0503751

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	ISBE 100 N. 1ST STREET SPRINGFIELD IL 62777	\$ 1,116,494	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public
Inspection

Name of the organization

CONCEPT SCHOOLS, INC.

Employer identification number

03-0503751

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).	
<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year	
4 Number of states where property subject to conservation easement is located	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year	
7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year	
\$	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.	

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:	
(i) Revenues included in Form 990, Part VIII, line 1	\$
(ii) Assets included in Form 990, Part X	\$
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:	
a Revenue included in Form 990, Part VIII, line 1	\$
b Assets included in Form 990, Part X	\$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a** ☐ Public exhibition **d** ☐ Loan or exchange programs
b ☐ Scholarly research **e** ☐ Other
- c** ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

- c** Beginning balance
d Additions during the year
e Distributions during the year
f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐ Yes ☐ No

Part V Endowment Funds.

Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment %
b Permanent endowment %
c Temporarily restricted endowment %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		2,546,084	667,993	1,878,091
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) 1,878,091

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.)		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)		

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	22,919,199
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	903,150
e	Add lines 2a through 2d	2e	903,150
3	Subtract line 2e from line 1	3	22,016,049
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	22,016,049

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	21,817,046
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	1,062,268
e	Add lines 2a through 2d	2e	1,062,268
3	Subtract line 2e from line 1	3	20,754,778
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	20,754,778

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 2D - REVENUE AMOUNTS INCLUDED IN FINANCIALS - OTHER

ACCRUAL TO CASH REVENUE \$ 903,150

PART XII, LINE 2D - EXPENSE AMOUNTS INCLUDED IN FINANCIALS - OTHER

CASH BASIS ADJUSTMENT EXPENSES \$ 1,061,999

BOOK TO TAX ADJUSTMENT \$ 269

Part XIII **Supplemental Information** (continued)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or 990-EZ.

Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Name of the organization

CONCEPT SCHOOLS, INC.

Employer identification number

03-0503751

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990

A DRAFT COPY OF THE RETURN IS DISTRIBUTED.

FORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY

BOARD MEMBERS DISCLOSE CONFLICTS ANNUALLY.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL

THE BOARD REVIEWS THE DIRECTOR'S SALARY.

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION

NO DOCUMENTS AVAILABLE TO THE PUBLIC

FORM 990, PART XI, LINE 9 - RECONCILIATION OF CHANGES - OTHER

ACCRUAL TO CASH REVENUE \$ 903,150

CASH BASIS ADJUSTMENT EXPENSES \$ -1,061,999

BOOK TO TAX ADJUSTMENT \$ -269

Form **4562**Department of the Treasury
Internal Revenue Service (99)**Depreciation and Amortization**
(Including Information on Listed Property)

Attach to your tax return.

Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

OMB No. 1545-0172

2014Attachment
Sequence No. **179**

Name(s) shown on return

CONCEPT SCHOOLS, INC.

Identifying number

03-0503751

Business or activity to which this form relates

INDIRECT DEPRECIATION**Part I Election To Expense Certain Property Under Section 179****Note:** If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2013 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2015. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	570,207
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2014	17	156,455
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B—Assets Placed in Service During 2014 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property		64,452	3.0	HY	200DB	21,483
b 5-year property		197,495	5.0	HY	200DB	39,495
c 7-year property		184,275	7.0	HY	200DB	26,326
d 10-year property		176,822	10.0	HY	200DB	17,682
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2014 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	5,400
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	837,048
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.Form **4562** (2014)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A—Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?				Yes	No	24b If "Yes," is the evidence written?				Yes	No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)		(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)									25			
26 Property used more than 50% in a qualified business use:												
2014 HONDA ODYSSEY												
	08/17/13	100.00 %	75,578	66,093		5.0	200DBHY	5,400				
		%										
27 Property used 50% or less in a qualified business use:												
		%					S/L-					
		%					S/L-					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1									28		5,400	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1										29		

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (do not include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C—Questions for Employers Who Provide Vehicles for Use by Their EmployeesAnswer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2014 tax year (see instructions):					
43 Amortization of costs that began before your 2014 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

Form 990	Two Year Comparison Report		2013 & 2014
For calendar year 2014, or tax year beginning 07/01/14 , ending 06/30/15			

Name CONCEPT SCHOOLS, INC.	Taxpayer Identification Number 03-0503751
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		2013	2014	Differences
Revenue	1. Contributions, gifts, grants	1. 528,754	33,185	-495,569
	2. Membership dues and assessments	2.		
	3. Government contributions and grants	3. 826,046	1,116,494	290,448
	4. Program service revenue	4. 13,532,054	20,663,505	7,131,451
	5. Investment income	5.		
	6. Proceeds from tax exempt bonds	6.		
	7. Net gain or (loss) from sale of assets other than inventory	7. -600		600
	8. Net income or (loss) from fundraising events	8.		
	9. Net income or (loss) from gaming	9.		
	10. Net gain or (loss) on sales of inventory	10.		
	11. Other revenue	11. 364,197	202,865	-161,332
	12. Total revenue. Add lines 1 through 11	12. 15,250,451	22,016,049	6,765,598
Expenses	13. Grants and similar amounts paid	13.		
	14. Benefits paid to or for members	14.		
	15. Compensation of officers, directors, trustees, etc.	15. 257,947	173,781	-84,166
	16. Salaries, other compensation, and employee benefits	16. 8,014,087	10,725,372	2,711,285
	17. Professional fundraising fees	17.		
	18. Other professional fees	18. 770,525	1,381,268	610,743
	19. Occupancy, rent, utilities, and maintenance	19. 835,683	1,646,820	811,137
	20. Depreciation and Depletion	20. 195,789	378,260	182,471
	21. Other expenses	21. 3,271,625	6,449,277	3,177,652
	22. Total expenses. Add lines 13 through 21	22. 13,345,656	20,754,778	7,409,122
	23. Excess or (Deficit). Subtract line 22 from line 12	23. 1,904,795	1,261,271	-643,524
Other Information	24. Total exempt revenue	24. 15,250,451	22,016,049	6,765,598
	25. Total unrelated revenue	25.		
	26. Total excludable revenue	26. 13,895,651	20,866,370	6,970,719
	27. Total assets	27. 7,509,103	8,863,971	1,354,868
	28. Total liabilities	28. 1,208,062	1,713,068	505,006
	29. Retained earnings	29. 6,301,041	7,150,903	849,862
	30. Number of voting members of governing body	30. 7	5	
	31. Number of independent voting members of governing body	31. 7	5	
	32. Number of employees	32. 171	321	
	33. Number of volunteers	33.		

Form 990T	Two Year Comparison Report For calendar year 2014, or tax year beginning 07/01/14 , ending 06/30/15	2013 & 2014
------------------	---	------------------------

Name

Taxpayer Identification Number

CONCEPT SCHOOLS, INC.

03-0503751

		2013	2014	Differences
Revenue	1. Gross profit/loss on business activities	1.		
	2. Capital gains/losses	2.		
	3. Income/loss from partnerships and S corporations	3.		
	4. Rental income (net of expense)	4.		
	5. Unrelated debt-financed income (net of expense)	5.		
	6. Interest, and other income from controlled organizations (net of expense)	6.		
	7. Investment income of specific organizations (net of expense)	7.		
	8. Exploited exempt activity income (net of expense)	8.		
	9. Advertising income (net of expense)	9.		
	10. Other income	10.		
	11. Total trade or business income. Combine lines 1 through 10	11.		
Expenses	12. Compensation of officers, directors, and trustees	12.		
	13. Other salaries and wages	13.		
	14. Repairs and maintenance	14.		
	15. Bad debts	15.		
	16. Interest	16.		
	17. Taxes and licenses	17.		
	18. Charitable contributions	18.		
	19. Depreciation and Depletion	19.		
	20. Contributions to deferred compensation plans	20.		
	21. Employee benefit programs	21.		
	22. Other deductions	22.		
	23. Total deductions. Add lines 12 through 22	23.		
	24. Taxable income before NOL. Subtract line 23 from 11	24.		
	25. Net operating loss deduction	25.		
	26. Specific deduction	26.	1,000	-1,000
	27. Unrelated business taxable income.	27.	-1,000	1,000
Tax & Credits	28. Income tax (corporate or trust)	28.		
	29. Proxy tax	29.		
	30. Alternative minimum tax	30.		
	31. Total taxes	31.		
	32. Other credits	32.		
	33. General business credit	33.		
	34. Credit for prior year minimum tax	34.		
	35. Total credits	35.		
	36. Net tax after credits	36.		
	37. Recapture taxes	37.		
Due/Refund	38. Total Taxes	38.		
	39. Prior year overpayment and estimated tax payments	39.		
	40. Payment made with extension	40.		
	41. Backup withholding and foreign withholding	41.		
	42. Other payments	42.		
	43. Total payments	43.		
	44. Balance due/(Overpayment)	44.		
	45. Overpayment applied to next year	45.		
	46. Penalties	46.		
	47. Total due/(Refund)	47.		

Form **990****Tax Return History****2014**

Name

CONCEPT SCHOOLS, INC.

Employer Identification Number

03-0503751

	2010	2011	2012	2013	2014	2015
Contributions, gifts, grants			56,000	1,354,800	1,149,679	
Membership dues						
Program service revenue			5,858,163	13,532,054	20,663,505	
Capital gain or loss			-1,110	-600		
Investment income						
Fundraising revenue (income/loss)						
Gaming revenue (income/loss)						
Other revenue			16,637	364,197	202,865	
Total revenue			5,929,690	15,250,451	22,016,049	
Grants and similar amounts paid						
Benefits paid to or for members						
Compensation of officers, etc.			245,568	257,947	173,781	
Other compensation			3,165,913	8,014,087	10,725,372	
Professional fees				770,525	1,381,268	
Occupancy costs			156,286	835,683	1,646,820	
Depreciation and depletion			44,041	195,789	378,260	
Other expenses			1,786,033	3,271,625	6,449,277	
Total expenses			5,397,841	13,345,656	20,754,778	
Excess or (Deficit)			531,849	1,904,795	1,261,271	
Total exempt revenue			5,929,690	15,250,451	22,016,049	
Total unrelated revenue						
Total excludable revenue			5,929,690	13,895,651	20,866,370	
Total Assets			4,183,076	7,509,103	8,863,971	
Total Liabilities			369,091	1,208,062	1,713,068	
Net Fund Balances			3,813,985	6,301,041	7,150,903	

Form **990T****Tax Return History****2014**

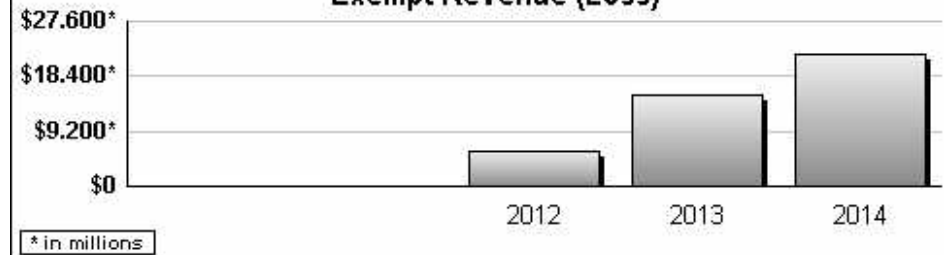
Name

CONCEPT SCHOOLS, INC.

Employer Identification Number

03-0503751

	2010	2011	2012	2013	2014	2015
Business activity profit/loss						
Capital gains/losses						
Partner and S Corp gain/loss						
Rental income*						
Debt-financed income*						
Controlled organizations income/interest*						
Investment income, specific organizations*						
Exploited exempt activity income*						
Other income						
Total trade or business income.						
Compensation of officers, ect.						
Other salaries and wages						
Repairs and maintenance						
Bad debts						
Interest						
Taxes and licenses						
Charitable contributions						
Depreciation and Depletion						
Deferred compensation plans						
Employee benefit programs						

Contributions**Exempt Revenue (Loss)****Expenses Deductions****Net Exempt Revenue**

Form **990T****Tax Return History****2014**

Name

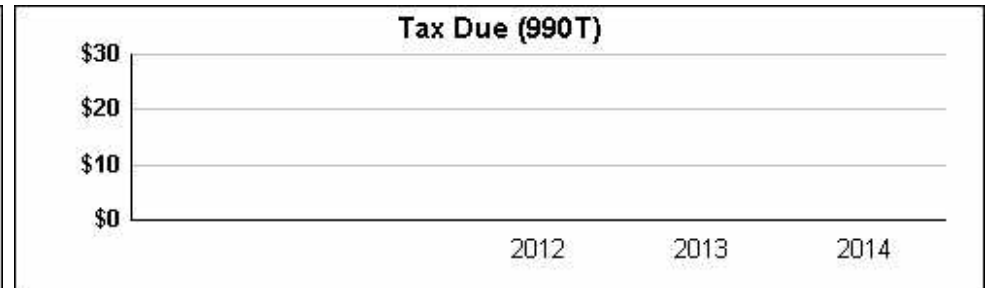
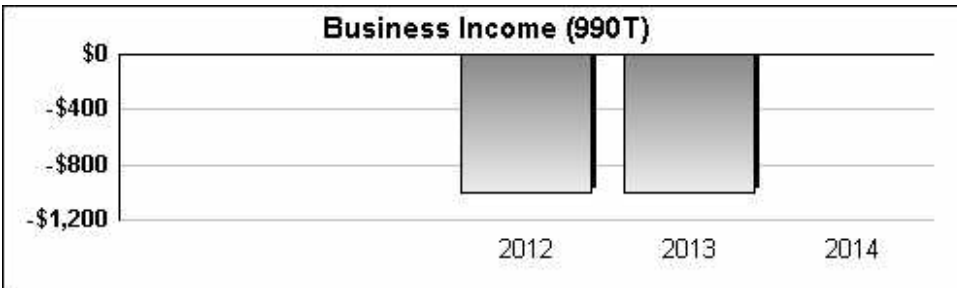
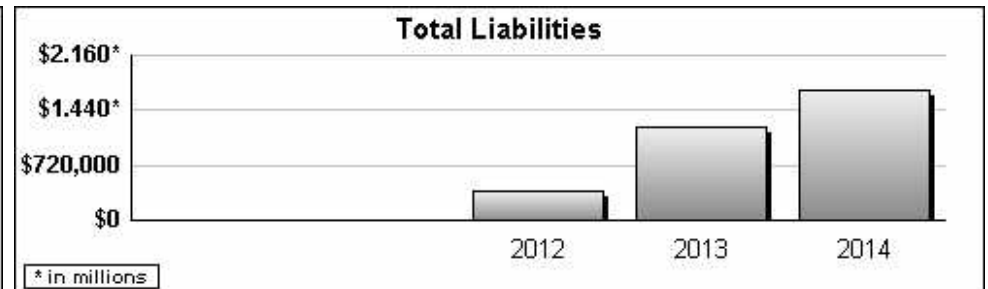
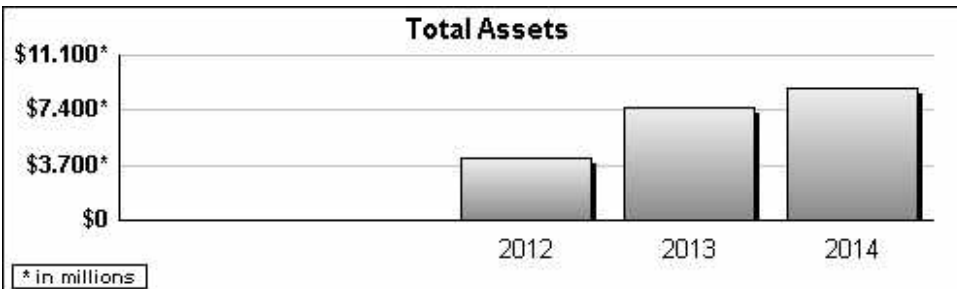
CONCEPT SCHOOLS, INC.

Employer Identification Number

03-0503751

	2010	2011	2012	2013	2014	2015
Other deductions						
Net operating loss deduction						
Specific deduction			1,000	1,000		
Income after expense and deductions			-1,000	-1,000		
Income tax (corporate or trust)						
Other taxes						
Total taxes						
General business credit						
Other credits						
Net tax after credits						
Estimated tax payments						
Other payments						
Balance due/Overpayment						

* Income shown net of expenses



Federal Statements

Form 990, Part IX, Line 11g - Other Fees for Service (Non-employee)

Description	Total Expenses	Program Service	Management & General	Fund Raising
EDUCATIONAL SUPPLIES & SERVICE	\$ 1,381,268	\$ 1,381,268	\$	\$
TOTAL	\$ 1,381,268	\$ 1,381,268	\$ 0	\$ 0

Form 990, Part IX, Line 24e - All Other Expenses

Description	Total Expenses	Program Service	Management & General	Fund Raising
REPAIRS AND MAINTENANCE	\$ 343,060	\$ 308,754	\$ 34,306	\$
UTILIITES	226,816	204,134	22,682	
CONTRIBUTIONS	90,200	90,200		
SUPPLIES AND MATERIALS	85,278	76,750	8,528	
TELEPHONE	27,046	24,341	2,705	
DUES AND SUBSCRIPTIONS	3,951	3,556	395	
SCHOLARSHIP EXPENSE	745	745		
TOTAL	\$ 777,096	\$ 708,480	\$ 68,616	\$ 0

Federal Statements**Cash - BOY**

Description	Amount
	\$ 4,259,873
TOTAL	\$ 4,259,873

Cash - EOY

Description	Amount
CASH	\$ 5,336,761
TOTAL	\$ 5,336,761

Accounts receivable - EOY

Code	Description	Amount
		\$ 621,994
	TOTAL	\$ 621,994

Prepaid expense - EOY

Code	Description	Amount
		\$ 222,171
	TOTAL	\$ 222,171

Accounts payable - BOY

Description	Amount
ACCOUNTS PAYABLE	\$ 240,189
ACCRUED EXPENSES	471,427
TOTAL	\$ 711,616

Accounts payable - EOY

Code	Description	Amount
	ACCOUNTS PAYABLE	\$ 400,892
	ACCRUED EXPENSES	918,233
	TOTAL	\$ 1,319,125

Unsecured notes - EOY

Code	Description	Amount
	NOTES PAYABLE - LT	\$ 393,943
	TOTAL	\$ 393,943

Illinois Return Summary

For calendar year 2014, or tax year beginning 07/01/14 , and ending 06/30/15

03-0503751

CONCEPT SCHOOLS, INC.

Amount you are paying (IL-990T)

Apportionment

Total sales everywhere

Total Illinois sales

Apportionment factor

0
0.000000 %

Net income or loss

Investment credits

Net replacement tax

Income tax credits

Net income tax

Credit from prior year overpayment

Total estimated payments

Form IL-505-B extension payment

Pass-through withholding payments

Gambling withholding

Total payments

Overpayment

Amount to credit forward

Refund

Tax due before penalty and interest

Late payment interest

Failure to pay penalty

Failure to file penalty

Total amount due

Next Year's Estimates

1st quarter

2nd quarter

3rd quarter

4th quarter

Total

Charitable Registration

Filing fee

Return / extended due date

15

02/28/16

Miscellaneous Information

Amended return

IL-990T due date /extended date

05/16/16

ILLINOIS CHARITABLE ORGANIZATION ANNUAL REPORT

PMT # _____

AMT _____

INIT _____

Attorney General **LISA MADIGAN** State of Illinois

Charitable Trust Bureau, 100 West Randolph

11th Floor, Chicago, Illinois 60601

CO # 01067745

Report for the Fiscal Period:

Beginning 07/01/2014& Ending 06/30/2015

MO DAY YR

Federal ID # 03-0503751Are contributions to the organization tax deductible? ☒ Yes ☐ NoDate Organization was created: 01/01/2002 MO DAY YR**Check all items attached:**

- ☒ Copy of IRS Return
☒ Audited Financial Statements
☐ Copy of Form IFC
☒ \$15.00 Annual Report Filing Fee
☐ \$100.00 Late Report Filing Fee

Make Checks
Payable to
the Illinois
Charity
Bureau Fund

LEGAL NAME CONCEPT SCHOOLS, INC. MAIL ADDRESS 2250 E DEVON AVENUE SUITE 302 CITY, STATE DES PLAINES IL ZIP CODE 60018	Year-end amounts	
	A) ASSETS	A) \$ 8,863,971
	B) LIABILITIES	B) \$ 1,713,068
	C) NET ASSETS	C) \$ 7,150,903
I. SUMMARY OF ALL REVENUE ITEMS DURING THE YEAR:	PERCENTAGE	AMOUNT
D) PUBLIC SUPPORT, CONTRIBUTIONS & PROGRAM SERVICE REV. (GROSS AMTS.)	94 %	D) \$ 20,696,690
E) GOVERNMENT GRANTS & MEMBERSHIP DUES	5 %	E) \$ 1,116,494
F) OTHER REVENUES	1 %	F) \$ 202,865
G) TOTAL REVENUE, INCOME AND CONTRIBUTIONS RECEIVED (ADD D, E, & F)	100%	G) \$ 22,016,049
II. SUMMARY OF ALL EXPENDITURES DURING THE YEAR:		
H) OPERATING CHARITABLE PROGRAM EXPENSE	92 %	H) \$ 19,116,804
I) EDUCATION PROGRAM SERVICE EXPENSE	%	I) \$
J) TOTAL CHARITABLE PROGRAM SERVICE EXPENSE (ADD H & I)	92 %	J) \$ 19,116,804
J') JOINT COSTS ALLOCATED TO PROGRAM SERVICES (INCLUDED IN J): \$		
K) GRANTS TO OTHER CHARITABLE ORGANIZATIONS	%	K) \$
L) TOTAL CHARITABLE PROGRAM SERVICE EXPENDITURE (ADD J & K)	92 %	L) \$ 19,116,804
M) MANAGEMENT AND GENERAL EXPENSE	8 %	M) \$ 1,637,974
N) FUNDRAISING EXPENSE	%	N) \$
O) TOTAL EXPENDITURES THIS PERIOD (ADD L, M, & N)	100%	O) \$ 20,754,778
III. SUMMARY OF ALL PAID FUNDRAISER AND CONSULTANT ACTIVITIES: (Attach Attorney General Report of Individual Fundraising Campaign- Form IFC. One for each PFR.)		
PROFESSIONAL FUNDRAISERS:		
P) TOTAL AMOUNT RAISED BY PAID PROFESSIONAL FUNDRAISERS	100%	P) \$
Q) TOTAL FUNDRAISERS FEES AND EXPENSES	%	Q) \$
R) NET RECEIVED BY THE CHARITY (P MINUS Q=R)	%	R) \$
PROFESSIONAL FUNDRAISING CONSULTANTS:		
S) TOTAL AMOUNT PAID TO PROFESSIONAL FUNDRAISING CONSULTANTS		S) \$
IV. COMPENSATION TO THE (3) HIGHEST PAID PERSONS DURING THE YEAR:		
T) NAME, TITLE: SEDAT DUMAN CEO/PRESIDENT		T) \$
U) NAME, TITLE: MISTAFA GULKESEN CFO		U) \$
V) NAME, TITLE: SALIM UCAN VICE PRESIDENT		V) \$
V. CHARITABLE PROGRAM DESCRIPTION: CHARITABLE PROGRAM (3 HIGHEST BY \$ EXPENDED) CODE CATEGORIES		
W) DESCRIPTION: MANAGEMENT OF CHARTER SCHOOLS	W) #	300
X) DESCRIPTION: SCHOOLS	X) #	002
Y) DESCRIPTION:	Y) #	

List on back side of instructions
CODE

IF THE ANSWER TO ANY OF THE FOLLOWING IS YES, ATTACH A DETAILED EXPLANATION:

	YES	NO
1. WAS THE ORGANIZATION THE SUBJECT OF ANY COURT ACTION, FINE, PENALTY OR JUDGMENT?		X
2. HAS THE ORGANIZATION OR A CURRENT DIRECTOR, TRUSTEE, OFFICER OR EMPLOYEE THEREOF, EVER BEEN CONVICTED BY ANY COURT OF ANY MISDEMEANOR INVOLVING THE MISUSE OR MISAPPROPRIATION OF FUNDS OR ANY FELONY?		X
3. DID THE ORGANIZATION MAKE A GRANT AWARD OR CONTRIBUTION TO ANY ORGANIZATION IN WHICH ANY OF ITS OFFICERS, DIRECTORS OR TRUSTEES OWNS AN INTEREST; OR WAS IT A PARTY TO ANY TRANSACTION IN WHICH ANY OF ITS OFFICERS, DIRECTORS OR TRUSTEES HAS A MATERIAL FINANCIAL INTEREST; OR DID ANY OFFICER, DIRECTOR OR TRUSTEE RECEIVE ANYTHING OF VALUE NOT REPORTED AS COMPENSATION?		X
4. HAS THE ORGANIZATION INVESTED IN ANY CORPORATE STOCK IN WHICH ANY OFFICER, DIRECTOR OR TRUSTEE OWNS MORE THAN 10% OF THE OUTSTANDING SHARES?		X
5. IS ANY PROPERTY OF THE ORGANIZATION HELD IN THE NAME OF OR COMMINGLED WITH THE PROPERTY OF ANY OTHER PERSON OR ORGANIZATION?		X
6. DID THE ORGANIZATION USE THE SERVICES OF A PROFESSIONAL FUNDRAISER? (ATTACH FORM IFC)		X
7a. DID THE ORGANIZATION ALLOCATE THE COST OF ANY SOLICITATION, MAILING, ADVERTISEMENT OR LITERATURE COSTS BETWEEN PROGRAM SERVICE AND FUNDRAISING EXPENSES?		X
7b. IF "YES", ENTER (i) THE AGGREGATE AMOUNT OF THESE JOINT COSTS \$ _____; (ii) THE AMOUNT ALLOCATED TO PROGRAM SERVICES \$ _____; (iii) THE AMOUNT ALLOCATED TO MANAGEMENT AND GENERAL \$ _____; AND (iv) THE AMOUNT ALLOCATED TO FUNDRAISING \$ _____		
8. DID THE ORGANIZATION EXPEND ITS RESTRICTED FUNDS FOR PURPOSES OTHER THAN RESTRICTED PURPOSES?		X
9. HAS THE ORGANIZATION EVER BEEN REFUSED REGISTRATION OR HAD ITS REGISTRATION OR TAX EXEMPTION SUSPENDED OR REVOKED BY ANY GOVERNMENTAL AGENCY?		X
10. WAS THERE OR DO YOU HAVE ANY KNOWLEDGE OF ANY KICKBACK, BRIBE, OR ANY THEFT, DEFALCATION MISAPPROPRIATION, COMMINGLING OR MISUSE OF ORGANIZATIONAL FUNDS?		X
11. LIST THE NAME AND ADDRESS OF THE FINANCIAL INSTITUTIONS WHERE THE ORGANIZATION MAINTAINS ITS THREE LARGEST ACCOUNTS: <u>CHASE BANK, 1858 E OAKTON STREET, DES PLAINES, IL</u>		
12. NAME AND TELEPHONE NUMBER OF CONTACT PERSON: <u>STEVE GULKESEN</u>		

847-824-3380

ALL ATTACHMENTS MUST ACCOMPANY THIS REPORT - SEE INSTRUCTIONS

UNDER PENALTY OF PERJURY, I (WE) THE UNDERSIGNED DECLARE AND CERTIFY THAT I (WE) HAVE EXAMINED THIS ANNUAL REPORT AND THE ATTACHED DOCUMENTS, INCLUDING ALL THE SCHEDULES AND STATEMENTS AND THE FACTS THEREIN STATED ARE TRUE AND COMPLETE AND FILED WITH THE ILLINOIS ATTORNEY GENERAL FOR THE PURPOSE OF HAVING THE PEOPLE OF THE STATE OF ILLINOIS RELY THEREUPON. I HEREBY FURTHER AUTHORIZE AND AGREE TO SUBMIT MYSELF AND THE REGISTRANT HEREBY TO THE JURISDICTION OF THE STATE OF ILLINOIS.

BE SURE TO INCLUDE ALL FEES DUE:

- 1.) REPORTS ARE DUE WITHIN SIX MONTHS OF YOUR FISCAL YEAR END.
- 2.) FOR FEES DUE SEE INSTRUCTIONS.
- 3.) REPORTS THAT ARE LATE OR INCOMPLETE ARE SUBJECT TO A \$100.00 PENALTY.

PRESIDENT or TRUSTEE (PRINT NAME)

SIGNATURE

DATE

TREASURER or TRUSTEE (PRINT NAME)

SIGNATURE

DATE

JOSEPH J. STASTNY

PREPARER (PRINT NAME)

SIGNATURE

DATE

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014
Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 07/01/14, and ending 06/30/15

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization <div align="center">CONCEPT SCHOOLS, INC.</div> Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2250 E DEVON AVENUE SUITE 302 City or town, state or province, country, and ZIP or foreign postal code DES PLAINES IL 60018	D Employer identification number 03-0503751 E Telephone number 847-824-3380 G Gross receipts\$ 22,016,049
F Name and address of principal officer: SEDAT DUMAN 2250 E DEVON AVENUE, SUITE 215 DES PLAINES IL 60018		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(c) Group exemption number
J Website: WWW.CONCEPTSCHOOLS.ORG		L Year of formation: 2002
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		M State of legal domicile: IL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: THE PRIMARY PURPOSE OF THE ORGANIZATION IS TO OPERATE CHARTER SCHOOLS AND PROVIDE OVERSIGHT AND SUPERVISION OVER THE EDUCATIONAL, TECHNICAL AND ADMINISTRATIVE FUNCTIONS OF IT'S MEMBER CHARTER SCHOOLS.			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	3 Number of voting members of the governing body (Part VI, line 1a)	3	5	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	5	
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	321	
	6 Total number of volunteers (estimate if necessary)	6	0	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0	
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year	
	9 Program service revenue (Part VIII, line 2g)	1,354,800	1,149,679	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	13,532,054	20,663,505	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-600	0	
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	364,197	202,865	
		15,250,451	22,016,049	
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0	
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0	
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	8,272,034	10,899,153	
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0	
	b Total fundraising expenses (Part IX, column (D), line 25)		0	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	5,073,622	9,855,625	
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	13,345,656	20,754,778	
	19 Revenue less expenses. Subtract line 18 from line 12	1,904,795	1,261,271	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year	
	21 Total liabilities (Part X, line 26)	7,509,103	8,863,971	
	22 Net assets or fund balances. Subtract line 21 from line 20	1,208,062	1,713,068	
		6,301,041	7,150,903	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer RYAN UYSALER Type or print name and title	Date CHIEF FINANCIAL OFFICER
Paid Preparer Use Only	Print/Type preparer's name JOSEPH J. STASTNY	Preparer's signature JOSEPH J. STASTNY
	Date 01/11/16	Check <input type="checkbox"/> if self-employed PTIN P00567072
	Firm's name MULCAHY, PAURITSCH, SALVADOR & CO., LTD.	Firm's EIN 36-3074623
	Firm's address 14300 S RAVINIA AVE STE 200 ORLAND PARK, IL 60462-2578	Phone no. 708-349-6999

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

THE PRIMARY PURPOSE OF THE ORGANIZATION IS TO OPERATE CHARTER SCHOOLS AND PROVIDE OVERSIGHT AND SUPERVISION OVER THE EDUCATIONAL, TECHNICAL AND ADMINISTRATIVE FUNCTIONS OF IT'S MEMBER CHARTER SCHOOLS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 19,116,804 including grants of \$) (Revenue \$ 19,814,444)
CHARTER OPERATION AND COMPREHENSIVE SERVICES TO ITS MEMBER CHARTER SCHOOLS

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 19,116,804

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a X	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	X
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, or IV, and Part V, line 1	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	X

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 55		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		X
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 321		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		X
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		X
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		X
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI ☒

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a 5	
b Enter the number of voting members included in line 1a, above, who are independent	1b 5	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a X	
b Each committee with authority to act on behalf of the governing body?	8b X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c X	
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a X	
b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).	15b	X
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed IL

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records:
 RYAN UYSALER 2250 E DEVON AVE, SUITE 215
 DES PLAINES IL 60018 847-824-3380

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DR. MURAT SURUCU	1.00									
BOARD PRESIDENT	0.00	X						0	0	0
(2) OMER TOPALGLU	1.00									
BOARD MEMBER	0.00	X						0	0	0
(3) DR. AYHAN ZORA	1.00									
SECRETARY	0.00	X		X				0	0	0
(4) AHMET UYSAL	1.00									
BOARD MEMBER	0.00	X						0	0	0
(5) STEPHANIE GLADDEN	1.00									
BOARD MEMBER	0.00	X						0	0	0
(6) SEDAT DUMAN	40.00									
PRESIDENT & CEO	0.00			X				59,078	50,417	0
(7) SALIM UCAN	40.00									
VICE PRESIDENT	0.00			X				107,620	0	0
(8) RYAN UYSALER	40.00									
CFO	0.00			X				54,287	45,833	0
(9)										
(10)										
(11)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(12)										
(13)										
(14)										
(15)										
(16)										
(17)										
(18)										
(19)										
1b Sub-total								220,985	96,250	
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								220,985	96,250	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

0

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	1,116,494				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	33,185				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f		1,149,679				
Program Service Revenue		Busn. Code					
	2a PER CAPITA TUITION	900099	15,045,162	15,045,162			
	b MANAGEMENT FEES	900099	5,270,866	5,270,866			
	c INKIND REVENUE	900099	262,375	262,375			
	d CONFERENCE REGISTRATION FEES	900099	85,102	85,102			
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f		20,663,505				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)						
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
		(i) Real	(ii) Personal				
	6a Gross rents						
	b Less: rental exps.						
	c Rental inc. or (loss)						
	d Net rental income or (loss)						
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b Less: cost or other basis & sales exps.						
	c Gain or (loss)						
	d Net gain or (loss)						
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
	9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
	10a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
	Miscellaneous Revenue		Busn. Code				
11a OTHER INCOME	900099	202,865	202,865				
b							
c							
d All other revenue							
e Total. Add lines 11a-11d		202,865					
12 Total revenue. See instructions.		22,016,049	20,866,370	0	0	0	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	173,781	156,403	17,378	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	10,276,884	9,249,196	1,027,688	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	448,488	403,639	44,849	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	1,381,268	1,381,268		
12 Advertising and promotion	46,753	42,078	4,675	
13 Office expenses	536,900	483,210	53,690	
14 Information technology				
15 Royalties				
16 Occupancy	1,646,820	1,482,138	164,682	
17 Travel	255,950	230,355	25,595	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	262,375	236,137	26,238	
20 Interest	20,388	18,349	2,039	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	378,260	340,434	37,826	
23 Insurance	86,106	77,495	8,611	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PROFESSIONAL FEES	1,560,869	1,404,782	156,087	
b MANAGEMENT SERVICES	1,477,930	1,477,930		
c SCHOOL PROGRAM EXPENSE	937,027	937,027		
d PUPIL TRANSPORTATION	487,883	487,883		
e All other expenses	777,096	708,480	68,616	
25 Total functional expenses. Add lines 1 through 24e	20,754,778	19,116,804	1,637,974	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest bearing	4,259,873	1	5,336,761
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,272,854	4	621,994
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	597,000	7	730,850
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	276,355	9	222,171
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 2,546,084		
	b Less: accumulated depreciation	10b 667,993	10c	1,878,091
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	35,559	15	74,104
16 Total assets. Add lines 1 through 15 (must equal line 34)	7,509,103	16	8,863,971	
Liabilities	17 Accounts payable and accrued expenses	711,616	17	1,319,125
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties	496,446	24	393,943
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	1,208,062	26	1,713,068
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	6,230,346	27	7,106,257
	28 Temporarily restricted net assets	70,695	28	44,646
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	6,301,041	33	7,150,903
34 Total liabilities and net assets/fund balances	7,509,103	34	8,863,971	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	22,016,049
2	Total expenses (must equal Part IX, column (A), line 25)	2	20,754,778
3	Revenue less expenses. Subtract line 2 from line 1	3	1,261,271
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	6,301,041
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-411,409
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	7,150,903

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	X	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Attach to Form 990 or Form 990-EZ.

Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

CONCEPT SCHOOLS, INC.

Employer identification number
03-0503751

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
- a ☒ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
- b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
- c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
- d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
- e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations
- g Provide the following information about the supported organization(s).

28

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) HSA – COLUMBUS	31-1657839	2		X		0
(B) HSA – COLUMBUS MIDDLE	20-8641415	2		X		0
(C) HSA – COLUMBUS ELEMENTARY	26-2061654	2		X		0
(D) NOBLE – COLUMBUS	20-4460475	2		X		0
(E) HSA – DAYTON	20-1849958	2		X		0
Total					0	0

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions)	12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here		<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2013 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test—2014. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test—2013. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10%-facts-and-circumstances test—2014. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10%-facts-and-circumstances test—2013. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests—2014. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 33 1/3% support tests—2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.	X	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		X
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		X
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.		X
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		X
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		X
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).		X
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990).		X
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		X
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		X
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		X
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer (b) below.		X
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		X
b A family member of a person described in (a) above?		X
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .		X

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
1	X	
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
2		X

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
2		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		
3		

Section E. Type III Functionally-Integrated Supporting Organizations

- 1** Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (**see instructions**):
- a** ☐ The organization satisfied the Activities Test. Complete **line 2** below.
- b** ☐ The organization is the parent of each of its supported organizations. Complete **line 3** below.
- c** ☐ The organization supported a governmental entity. Describe in **Part VI** how you supported a government entity (see instructions).

2 Activities Test. Answer (a) and (b) below.

	Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		
3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1** ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year	
1	Amounts paid to supported organizations to accomplish exempt purposes		
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity		
3	Administrative expenses paid to accomplish exempt purposes of supported organizations		
4	Amounts paid to acquire exempt-use assets		
5	Qualified set-aside amounts (prior IRS approval required)		
6	Other distributions (describe in Part VI). See instructions.		
7	Total annual distributions. Add lines 1 through 6.		
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.		
9	Distributable amount for 2014 from Section C, line 6		
10	Line 8 amount divided by Line 9 amount		

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1	Distributable amount for 2014 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3	Excess distributions carryover, if any, to 2014:			
a				
b				
c				
d				
e	From 2013			
f	Total of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2014 distributable amount			
i	Carryover from 2009 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2014 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2014 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6	Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7	Excess distributions carryover to 2015. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a				
b				
c				
d	Excess from 2013 . . .			
e	Excess from 2014 . . .			

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions.)**PART I, LINE 11H - LIST OF SUPPORTED ORGANIZATIONS CONTINUED**

NAME AND EIN	TYPE	IN GOV DOC	AMOUNT	OTHER
HSA - DAYTON HIGH				
26-4574224	2		\$ 0	\$ 0
HSA - DAYTON DOWNTOWN				
27-1844067	2		\$ 0	\$ 0
HSA - CINCINNATI				
20-1850035	2		\$ 0	\$ 0
HSA - CLEVELAND				
34-1869716	2		\$ 0	\$ 0
HSA - CLEVELAND MIDDLE				
20-2011609	2		\$ 0	\$ 0
HSA - DENISON MIDDLE				
20-2003228	2		\$ 0	\$ 0
HSA - DENISON ELEMENTARY				
26-2132237	2		\$ 0	\$ 0
NOBLE - CLEVELAND				
20-4451404	2		\$ 0	\$ 0
HSA - TOLEDO				
20-0524037	2		\$ 0	\$ 0
HSA - SPRINGFIELD				
20-2004609	2		\$ 0	\$ 0
HSA - LORAIN				
26-4574311	2		\$ 0	\$ 0
HSA - YOUNGSTOWN				
27-2060536	2		\$ 0	\$ 0
CMSA				

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions.)

45-0532536	2	\$	0	\$	0
HSA - BELMONT					
03-0503751	2	\$	0	\$	0
HSA - MCKINLEY PARK					
03-0503751	2	\$	0	\$	0
HSA - SW CHICAGO					
03-0503751	2	\$	0	\$	0
IMSA - NORTH					
27-2184783	2	\$	0	\$	0
IMSA - SOUTH					
45-4992195	2	\$	0	\$	0
IMSA - WEST					
20-5751308	2	\$	0	\$	0
GSA - FLYER/SMILEY/SOUTH					
26-1425925	2	\$	0	\$	0
MICHIGAN MSA					
26-3243703	2	\$	0	\$	0
MILWAUKEE MSA					
27-1053816	2	\$	0	\$	0
MINNESOTA MSA					
46-4684051	2	\$	0	\$	0

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public
Inspection

Name of the organization

CONCEPT SCHOOLS, INC.

Employer identification number

03-0503751

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).	
<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year	
4 Number of states where property subject to conservation easement is located	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year	
7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year	
\$	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.	

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:	
(i) Revenues included in Form 990, Part VIII, line 1	\$
(ii) Assets included in Form 990, Part X	\$
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:	
a Revenue included in Form 990, Part VIII, line 1	\$
b Assets included in Form 990, Part X	\$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a** ☐ Public exhibition **d** ☐ Loan or exchange programs
b ☐ Scholarly research **e** ☐ Other
c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

- c** Beginning balance
d Additions during the year
e Distributions during the year
f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐ Yes ☐ No

Part V Endowment Funds.

Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment %
b Permanent endowment %
c Temporarily restricted endowment %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** unrelated organizations
(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

	Yes	No
3a(i)		
3a(ii)		
3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		2,546,084	667,993	1,878,091
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				1,878,091

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.)		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)		

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☐

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	22,919,199
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	903,150
e	Add lines 2a through 2d	2e	903,150
3	Subtract line 2e from line 1	3	22,016,049
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	22,016,049

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	21,817,046
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	1,062,268
e	Add lines 2a through 2d	2e	1,062,268
3	Subtract line 2e from line 1	3	20,754,778
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	20,754,778

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 2D - REVENUE AMOUNTS INCLUDED IN FINANCIALS - OTHER

ACCRUAL TO CASH REVENUE \$ 903,150

PART XII, LINE 2D - EXPENSE AMOUNTS INCLUDED IN FINANCIALS - OTHER

CASH BASIS ADJUSTMENT EXPENSES \$ 1,061,999

BOOK TO TAX ADJUSTMENT \$ 269

Part XIII **Supplemental Information** (continued)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or 990-EZ.

Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Name of the organization

CONCEPT SCHOOLS, INC.

Employer identification number

03-0503751

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990

A DRAFT COPY OF THE RETURN IS DISTRIBUTED.

FORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY

BOARD MEMBERS DISCLOSE CONFLICTS ANNUALLY.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL

THE BOARD REVIEWS THE DIRECTOR'S SALARY.

FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION

NO DOCUMENTS AVAILABLE TO THE PUBLIC

FORM 990, PART XI, LINE 9 - RECONCILIATION OF CHANGES - OTHER

ACCRUAL TO CASH REVENUE \$ 903,150

CASH BASIS ADJUSTMENT EXPENSES \$ -1,061,999

BOOK TO TAX ADJUSTMENT \$ -269

CONCEPT SCHOOLS, INC.
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

CONCEPT SCHOOLS, INC.
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

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To the Board of Directors of
Concept Schools, Inc.
Des Plaines, Illinois

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Concept Schools, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



Basis for Qualified Opinion

As explained in Note 11 to the financial statements, the Organization's financial statements for the year ended June 30, 2013 do not include the accounts of Horizon Science Academy - Belmont Charter School (Belmont) and Horizon Science Academy - McKinley Charter School (McKinley), nonprofit organizations in which the Organization has both an economic interest and control. Accounting principles generally accepted in the United States of America require nonprofit organizations to consolidate other nonprofit organizations in which they have both an economic interest and control into their financial statements. The effects on the accompanying financial statements of not consolidating Belmont and McKinley into the financial statements of the Organization have not been determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Concept Schools, Inc. as of June 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Mulcahy, Pauerssch, Salvadori Co., Ltd.

Orland Park, Illinois
September 30, 2013

CONCEPT SCHOOLS, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2013

ASSETS

Cash	\$ 2,380,518
Accounts receivable	900,638
Due from charter schools	777,500
Prepaid expenses and deposits	14,623
Equipment, furniture and vehicles, less accumulated depreciation	<u>109,797</u>
Total assets	<u><u>\$ 4,183,076</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable	\$ 255,152
Accrued expenses	91,718
Note payable	<u>22,219</u>
Total liabilities	<u>369,089</u>
Net assets:	
Temporarily restricted	46,801
Unrestricted	<u>3,767,186</u>
Total net assets	<u>3,813,987</u>
Total liabilities and net assets	<u><u>\$ 4,183,076</u></u>

See notes to financial statements.

CONCEPT SCHOOLS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:			
Management fees	\$ 6,371,957	\$ -	\$ 6,371,957
Conference registration fees	208,260	-	208,260
Contributions	23,099	46,801	69,900
Other income	<u>2,737</u>	<u>-</u>	<u>2,737</u>
Total revenues	<u>6,606,053</u>	<u>46,801</u>	<u>6,652,854</u>
Expenses:			
Salaries and benefits	3,181,667	-	3,181,667
Contribution	200,000	-	200,000
Depreciation	44,041	-	44,041
Educational supplies and services	97,457	-	97,457
Insurance	16,526	-	16,526
Interest	1,347	-	1,347
Office supplies	52,964	-	52,964
Other	245,245	-	245,245
Payroll taxes	215,086	-	215,086
Printing and reproduction	200,116	-	200,116
Professional development conference	278,992	-	278,992
Professional fees	419,705	-	419,705
Rent	143,650	-	143,650
Telephone	13,840	-	13,840
Travel and entertainment	254,576	-	254,576
Utilities	<u>9,764</u>	<u>-</u>	<u>9,764</u>
Total expenses	<u>5,374,976</u>	<u>-</u>	<u>5,374,976</u>
Change in net assets	1,231,077	46,801	1,277,878
Net assets at beginning of year	<u>2,536,109</u>	<u>-</u>	<u>2,536,109</u>
Net assets at end of year	<u>\$ 3,767,186</u>	<u>\$ 46,801</u>	<u>\$ 3,813,987</u>

See notes to financial statements.

CONCEPT SCHOOLS, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2013

Cash flows from operating activities:		
Change in net assets	\$	1,277,878
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		44,041
Gain on disposal of assets		2,221
Effects of changes in operating assets and liabilities:		
Accounts receivable		(722,054)
Prepaid expenses and deposits		(339)
Accounts payable and accrued expenses		<u>254,959</u>
Net cash provided by operating activities	\$	856,706
Cash flows from investing activities:		
Advances made to charter schools, net		(212,500)
Purchases of equipment, furniture and vehicles		<u>(32,961)</u>
Net cash used by investing activities		(245,461)
Cash flows from financing activities:		
Principal repayments of notes payable		<u>(6,879)</u>
Net increase in cash		604,366
Cash at beginning of year		<u>1,776,152</u>
Cash at end of year	\$	<u><u>2,380,518</u></u>

See notes to financial statements.

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

Concept Schools, Inc. (the "Organization") was established to organize, operate and manage K - 12 charter schools. The Organization currently manages twenty-nine charter schools throughout the Midwest under annual agreements.

B. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

C. Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

D. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

E. Cash

For purposes of the statement of cash flows, the Organization considers all short-term debt securities purchased with an original maturity of three months or less to be cash equivalents.

The Organization's bank account balance, at times, exceeds federally insured limits. The Organization has not experienced any losses on this account.

F. Accounts Receivable

The Organization extends credit to the schools it manages and generally requires no collateral. Accounts receivable are reported at their outstanding balance reduced by the allowance for doubtful accounts, if any.

The allowance for doubtful accounts is increased by charges to income and decreased by chargeoffs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the past collection experience of the Organization, known and inherent risks of the schools comprising the accounts receivable balance, adverse situations that may affect the school's ability to pay, and current economic conditions. Accounts receivable are charged off when management deems the balance to be uncollectible. Based on a review of outstanding accounts receivable, management determined that an allowance for doubtful accounts was not necessary at June 30, 2013.

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

G. Equipment, Furniture and Vehicles

The Organization's equipment, furniture and vehicles are stated at cost or, if donated, at the estimated fair value upon receipt. It is the Organization's policy to capitalize expenditures for these items in excess of \$500. Lesser amounts are expensed. Depreciation is calculated using straight-line and accelerated methods over the estimated useful lives of the related assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed as incurred.

H. Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

I. Functional Expenses

The Organization's expenses were incurred primarily for the operations and management of the K - 12 charter schools.

J. Subsequent Events

Management has evaluated subsequent events through September 30, 2013, which is the date the financial statements were available to be issued.

NOTE 2. DUE FROM CHARTER SCHOOLS

The Organization has made advances to four charter schools. The advances are non-interest bearing, unsecured, and due on demand. The total balance receivable at June 30, 2013 was \$777,500.

NOTE 3. EQUIPMENT, FURNITURE AND VEHICLES

The Organization's equipment, furniture and vehicles at June 30, 2013 consisted of the following:

Equipment and furniture	\$ 164,422
Vehicles	71,271
Less accumulated depreciation	<u>(125,896)</u>
Net equipment, furniture and vehicles	<u><u>\$ 109,797</u></u>

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

NOTE 4. NOTE PAYABLE

The Organization has a note payable to a bank that is due in monthly installments of \$685, including interest at 5.2%, with final payment due in May, 2016. The note is collateralized by a vehicle. The outstanding balance due at June 30, 2013 was \$22,219.

Future maturities of the note payable in years ending June 30 are as follows:

2014	\$	7,242
2015		7,628
2016		<u>7,349</u>
Total	\$	<u><u>22,219</u></u>

NOTE 5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets of \$46,801 are to be used for expenses incurred by alumni of the charter schools managed by the Organization.

NOTE 6. OPERATING LEASES

The Organization conducts its operations from a facility that is leased under a noncancelable operating lease expiring in March, 2014. The lease agreement calls for specified rent increases in future years. Total rent expense is being recorded on the straight-line basis over the term of the lease.

Rent expense for the year ended June 30, 2013 was as follows:

Base rent	\$	168,800
Accrued rent adjustment to record rent on the straight-line basis		(12,046)
Month-to-month leases		<u>13,104</u>
Total rent expense	\$	<u><u>143,650</u></u>

Future minimum rental payments required under the long-term lease during the year ending June 30, 2014 total \$118,560.

NOTE 7. CASH FLOW INFORMATION

Cash paid for interest expense during the year ended June 30, 2013 was \$1,347.

**CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

NOTE 8. MANAGEMENT FEE INCOME

The Organization, being organized exclusively for charitable and educational purposes under Illinois law, strives to make its charitable services and programs available to the appropriate general public without undue obstacles to access. It is the general policy of the Organization that any fees or charges associated with the charitable services and programs of the Organization will be waived or reduced in accordance with each member school's ability to pay. Management fee income on the statement of activities for the year ended June 30, 2013 is reported net of fee waivers and reductions totaling \$1,495,323.

NOTE 9. INCOME TAXES

A provision for income taxes has not been included in the accompanying financial statements. Concept Schools, Inc. has submitted an application to be recognized as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has not yet issued its determination as to whether the Organization qualifies as a tax exempt entity. If the application were to be denied, statutory federal and state corporate income tax rates would apply to the change in net assets for the current and prior years.

The income tax returns of the Organization are subject to examination by the taxing authorities, generally for three years after the date they were filed.

NOTE 10. RELATED PARTY TRANSACTION

During the year ended June 30, 2013, the Organization made a \$200,000 contribution to one of the schools that it manages. The amount of the contribution is included in accounts payable at June 30, 2013.

NOTE 11. CONSOLIDATION OF CHARTER SCHOOLS

During the year ended June 30, 2013, the State of Illinois granted the Organization charters for Horizon Science Academy - Belmont Charter School (Belmont) and Horizon Science Academy - McKinley Charter School (McKinley), nonprofit organizations in which the Organization has both an economic interest and control. These charter schools will operate under the umbrella of the Organization. Accounting principles generally accepted in the United States of America require nonprofit organizations to consolidate other nonprofit organizations in which they have both an economic interest and control into their financial statements. The effects on the accompanying financial statements of not consolidating Belmont and McKinley into the financial statements of the Organization have not been determined.

CONCEPT SCHOOLS, INC.
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

**CONCEPT SCHOOLS, INC.
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014**

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To the Board of Directors of
Concept Schools, Inc.
Des Plaines, Illinois

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Concept Schools, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2014, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Concept Schools, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 12 - 19 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual entities, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2014, on our consideration of Concept Schools, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Concept Schools, Inc.'s internal control over financial reporting and compliance.

Mulcahy, Pawritsch, Salvador & Co., Ltd.

Orland Park, Illinois
November 25, 2014

CONCEPT SCHOOLS, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014

ASSETS

Current assets:	
Cash	\$ 4,259,873
Receivables:	
Grants	732,750
Accounts receivable	540,104
Due from charter schools	597,000
Prepaid expenses and deposits	<u>311,914</u>
Total current assets	6,441,641
Equipment, furniture and vehicles, less accumulated depreciation	<u>1,067,462</u>
Total assets	<u><u>\$ 7,509,103</u></u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 240,189
Accrued expenses	471,427
Current portion of notes payable	<u>102,542</u>
Total current liabilities	814,158
Long-term liabilities:	
Notes payable, less current portion	<u>393,904</u>
Total liabilities	<u>1,208,062</u>
Net assets:	
Unrestricted	6,230,346
Temporarily restricted	<u>70,695</u>
Total net assets	<u>6,301,041</u>
Total liabilities and net assets	<u><u>\$ 7,509,103</u></u>

See notes to consolidated financial statements.

CONCEPT SCHOOLS, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:			
Per-capita tuition	\$ 6,888,337	\$ -	\$ 6,888,337
Management fees	6,857,107	-	6,857,107
Conference registration fees	23,078	-	23,078
Contributions	490,131	38,623	528,754
Grants	826,046	-	826,046
Special education	135,748	-	135,748
Other income	364,197	-	364,197
Net assets released from restrictions	<u>14,729</u>	<u>(14,729)</u>	<u>-</u>
Total revenues	<u>15,599,373</u>	<u>23,894</u>	<u>15,623,267</u>
Expenses:			
Salaries and benefits	7,832,329	-	7,832,329
Advertising	72,825	-	72,825
Conferences	228,572	-	228,572
Depreciation	195,789	-	195,789
Dues and subscriptions	6,553	-	6,553
Educational supplies and services	774,182	-	774,182
Insurance	95,826	-	95,826
Interest	12,974	-	12,974
Loss on disposal of equipment	3,355	-	3,355
Office supplies	205,951	-	205,951
Payroll taxes	446,613	-	446,613
Printing and reproduction	148,278	-	148,278
Professional fees	458,830	-	458,830
Pupil transportation	270,271	-	270,271
Rent	888,388	-	888,388
Repairs and maintenance	157,556	-	157,556
Scholarship expense	8,852	-	8,852
School program expense	759,245	-	759,245
Supplies and materials	70,955	-	70,955
Telephone	20,987	-	20,987
Travel and entertainment	232,190	-	232,190
Utilities	<u>139,367</u>	<u>-</u>	<u>139,367</u>
Total expenses	<u>13,029,888</u>	<u>-</u>	<u>13,029,888</u>
Change in net assets	2,569,485	23,894	2,593,379
Net assets at beginning of year	<u>3,660,861</u>	<u>46,801</u>	<u>3,707,662</u>
Net assets at end of year	<u>\$ 6,230,346</u>	<u>\$ 70,695</u>	<u>\$ 6,301,041</u>

See notes to consolidated financial statements.

CONCEPT SCHOOLS, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2014

Cash flows from operating activities:		
Change in net assets	\$	2,593,379
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		195,789
Loss on disposal of equipment		3,355
Effects of changes in operating assets and liabilities:		
Receivables		(372,216)
Prepaid expenses and deposits		(297,291)
Accounts payable and accrued expenses		<u>300,728</u>
Net cash provided by operating activities	\$	2,423,744
Cash flows from investing activities:		
Collections of advances made to charter schools		188,000
Advances made to charter schools		(325,000)
Purchases of equipment, furniture and vehicles		<u>(487,276)</u>
Net cash used by investing activities		(624,276)
Cash flows from financing activities:		
Proceeds from notes payable		49,162
Principal repayments of notes payable		<u>(74,935)</u>
Net cash used by financing activities		<u>(25,773)</u>
Net increase in cash		1,773,695
Cash at beginning of year		<u>2,486,178</u>
Cash at end of year	\$	<u><u>4,259,873</u></u>

See notes to consolidated financial statements.

CONCEPT SCHOOLS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

Concept Schools, Inc. ("Concept") and its subsidiaries (Horizon Science Academy - Belmont Charter School ("Belmont"), Horizon Science Academy - McKinley Charter School ("McKinley"), Horizon Science Academy - Clay Evans Charter School ("Clay Evans"), and Horizon Science Academy - Southwest Chicago Charter School ("Southwest")) were established to organize, operate and manage K - 12 charter schools.

Concept currently manages twenty-seven charter schools under annual agreements and operates three charter schools (Belmont, McKinley and Southwest).

Concept and its subsidiaries are collectively referred to as "Organization."

B. Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Concept and its wholly-owned subsidiaries. Interentity transactions and balances have been eliminated in consolidation.

C. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

D. Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

E. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

F. Cash

For purposes of the statement of cash flows, the Organization considers all short-term debt securities purchased with an original maturity of three months or less to be cash equivalents.

The Organization's bank account balances, at times, exceed federally insured limits. The Organization has not experienced any losses on these accounts.

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

G. Accounts Receivable

Concept extends credit to the schools it manages and generally requires no collateral. Accounts receivable are reported at their outstanding balance reduced by the allowance for doubtful accounts, if any.

The allowance for doubtful accounts is increased by charges to income and decreased by chargeoffs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the past collection experience of Concept, known and inherent risks of the schools comprising the accounts receivable balance, adverse situations that may affect the school's ability to pay, and current economic conditions. Accounts receivable are charged off when management deems the balance to be uncollectible. Based on a review of outstanding accounts receivable, management determined that an allowance for doubtful accounts was not necessary at June 30, 2014.

H. Equipment, Furniture and Vehicles

The Organization's equipment, furniture and vehicles are stated at cost or, if donated, at the estimated fair value upon receipt. It is the Organization's policy to capitalize expenditures for these items in excess of \$500 for Concept and \$1,000 for the charter schools that it operates. Lesser amounts are expensed. Depreciation is calculated using straight-line and accelerated methods over the estimated useful lives of the related assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed as incurred.

I. Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

J. Functional Expenses

The consolidated statement of activities discloses expenses by natural classification. The Organization's expenses were incurred primarily for program services, summarized as follows:

Charter school operations	\$ 7,315,831
Charter school management	<u>5,714,057</u>
Total expenses	<u>\$ 13,029,888</u>

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

K. Subsequent Events

Management has evaluated subsequent events through November 25, 2014, which is the date the financial statements were available to be issued.

NOTE 2. DUE FROM CHARTER SCHOOLS

Concept has made advances to five charter schools. The advances are non-interest bearing, unsecured, and due on demand. The total balance receivable at June 30, 2014 was \$597,000.

NOTE 3. EQUIPMENT, FURNITURE AND VEHICLES

The Organization's equipment, furniture and vehicles at June 30, 2014 consisted of the following:

Equipment and furniture	\$ 1,294,067
Vehicles	70,662
Less accumulated depreciation	<u>(297,267)</u>
Net equipment, furniture and vehicles	<u>\$ 1,067,462</u>

NOTE 4. NOTES PAYABLE

Concept has a note payable to a bank that is due in monthly installments of \$860, including interest at 1.9%, with final payment due in August, 2018. The note is collateralized by a vehicle.

\$ 41,284

Belmont has an uncollateralized note payable to an unrelated party that is due in monthly installments of \$4,689, including interest at 4.75%. The final payment is due in December, 2018.

227,581

McKinley has an uncollateralized note payable to an unrelated party that is due in monthly installments of \$4,689, including interest at 4.75%. The final payment is due in December, 2018.

227,581

Total

\$ 496,446

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

Future maturities of the notes payable in years ending June 30 are as follows:

2015	\$	102,542
2016		107,235
2017		112,155
2018		117,306
2019		<u>57,208</u>
Total	\$	<u>496,446</u>

NOTE 5. TEMPORARILY RESTRICTED NET ASSETS

Net assets were temporarily restricted for the following purposes at June 30, 2014:

Start-up expenses for new charter schools	\$	38,623
Charter school alumni assistance		<u>32,072</u>
Total	\$	<u>70,695</u>

NOTE 6. OPERATING LEASES

Concept conducts its operations from a facility that is leased under a noncancelable operating lease expiring in August, 2015. The lease agreement calls for specified rent increases in future years. Total rent expense is being recorded on the straight-line basis over the term of the lease.

Belmont conducted its operations from a facility that was leased on a month-to-month basis. In July, 2014, Belmont entered into a noncancelable operating lease for this facility that expires in July, 2018.

McKinley conducts its operations from a facility that is currently being leased on a month-to-month basis.

Rent expense for the year ended June 30, 2014 is summarized as follows:

Concept	\$	155,170
Belmont		216,048
McKinley		497,766
Other		<u>19,404</u>
Total	\$	<u>888,388</u>

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

Future minimum rental payments required under the long-term leases in years ending June 30 are as follows:

2015	\$	374,990
2016		245,840
2017		225,300
2018		<u>232,068</u>
Total	\$	<u>1,078,198</u>

NOTE 7. CASH FLOW INFORMATION

Cash paid for interest expense during the year ended June 30, 2014 was \$12,974.

During the year ended June 30, 2014, the Organization had a noncash investing transaction of \$31,628 related to a trade-in allowance on the purchase of a new vehicle. The Organization also had equipment acquisitions of \$500,000 that were financed with long-term debt.

NOTE 8. MANAGEMENT FEE INCOME

Concept, being organized exclusively for charitable and educational purposes under Illinois law, strives to make its charitable services and programs available to the appropriate general public without undue obstacles to access. It is the general policy of Concept that any fees or charges associated with the charitable services and programs of Concept will be waived or reduced in accordance with each member school's ability to pay. Management fee income on the statement of activities for the year ended June 30, 2014 is reported net of fee waivers and reductions totaling \$2,317,569.

NOTE 9. INCOME TAXES

The Organization operates as a nonprofit organization and has received exempt status under Section 501(c)(3) of the Internal Revenue Code.

The Organization's federal Exempt Organization Business Income Tax Return (Form 990) is subject to examination by the Internal Revenue Service, generally for three years after the date it was filed.

NOTE 10. TEACHER RETIREMENT FUND COMMITMENTS

Belmont and McKinley participate in the Public School Teachers' Pension and Retirement Fund of Chicago (the "Fund"), a cost sharing multiple employer defined benefit public employee retirement system. Members of the Fund include all active nonannuitants who are employed by a Fund-covered employer and who hold an Illinois State Teacher Certification Board certification.

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2014

During the year ended June 30, 2014, Belmont and McKinley made contributions to the Fund of \$42,080 and \$64,374, respectively. In addition, Belmont and McKinley elected to pay a portion of their employees' contributions to the Fund. During the year ended June 30, 2014, Belmont and McKinley paid employee contributions to the Fund of \$12,023 and \$18,392, respectively.

NOTE 11. CONCENTRATIONS

Approximately 44% of the Organization's revenues for the year ended June 30, 2014 were received from the Illinois State Board of Education.

Southwest's charter school agreement with Chicago Public Schools expires in 2018. Belmont's and McKinley's charter school agreements with the Illinois State Charter School Commission also expire in 2018.

NOTE 12. CONTINGENCY

Concept is being investigated by the United States Attorney's Office for the Northern District of Ohio, along with other investigative agencies. Although the outcome of this investigation is not presently determinable, in the opinion of Concept's management, the resolution of this investigation will not have a material adverse effect on the financial condition of Concept.

SUPPLEMENTARY INFORMATION

CONCEPT SCHOOLS, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014

	<u>Concept Schools, Inc.</u>	<u>Horizon Science Academy Belmont</u>	<u>Horizon Science Academy McKinley</u>	<u>Horizon Science Academy Clay Evans</u>
ASSETS				
Current assets:				
Cash	\$ 3,701,261	\$ 134,628	\$ 328,816	\$ 20,502
Receivables:				
Grants	-	207,947	260,491	127,245
Accounts receivable	841,051	13,293	14,437	-
Due from charter schools	1,076,500	-	-	-
Prepaid expenses and deposits	<u>217,187</u>	<u>17,182</u>	<u>77,545</u>	<u>-</u>
Total current assets	5,835,999	373,050	681,289	147,747
Equipment, furniture and vehicles, less accumulated depreciation	<u>165,328</u>	<u>370,191</u>	<u>529,280</u>	<u>-</u>
Total assets	<u>\$ 6,001,327</u>	<u>\$ 743,241</u>	<u>\$ 1,210,569</u>	<u>\$ 147,747</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	\$ 82,763	\$ 134,938	\$ 217,549	\$ 68,410
Accrued expenses	56,758	164,546	212,740	947
Due to charter schools	-	159,000	145,500	75,000
Current portion of notes payable	<u>9,614</u>	<u>46,464</u>	<u>46,464</u>	<u>-</u>
Total current liabilities	149,135	504,948	622,253	144,357
Long-term liabilities:				
Notes payable, less current portion	<u>31,670</u>	<u>181,117</u>	<u>181,117</u>	<u>-</u>
Total liabilities	<u>180,805</u>	<u>686,065</u>	<u>803,370</u>	<u>144,357</u>
Net assets:				
Unrestricted	5,788,450	23,312	402,440	3,390
Temporarily restricted	<u>32,072</u>	<u>33,864</u>	<u>4,759</u>	<u>-</u>
Total net assets	<u>5,820,522</u>	<u>57,176</u>	<u>407,199</u>	<u>3,390</u>
Total liabilities and net assets	<u>\$ 6,001,327</u>	<u>\$ 743,241</u>	<u>\$ 1,210,569</u>	<u>\$ 147,747</u>

Horizon Science Academy Southwest	Eliminations	Consolidated
\$ 74,666	\$ -	\$ 4,259,873
137,067	-	732,750
-	(328,677)	540,104
-	(479,500)	597,000
-	-	311,914
211,733	(808,177)	6,441,641
2,663	-	1,067,462
<u>\$ 214,396</u>	<u>\$ (808,177)</u>	<u>\$ 7,509,103</u>
\$ 65,206	\$ (328,677)	\$ 240,189
36,436	-	471,427
100,000	(479,500)	-
-	-	102,542
201,642	(808,177)	814,158
-	-	393,904
201,642	(808,177)	1,208,062
12,754	-	6,230,346
-	-	70,695
12,754	-	6,301,041
<u>\$ 214,396</u>	<u>\$ (808,177)</u>	<u>\$ 7,509,103</u>

CONCEPT SCHOOLS, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

	<u>Concept Schools, Inc.</u>	<u>Horizon Science Academy Belmont</u>	<u>Horizon Science Academy McKinley Park</u>	<u>Horizon Science Academy Clay Evans</u>
Unrestricted net assets:				
Revenues:				
Per-capita tuition	\$ -	\$ 2,703,767	\$ 4,184,570	\$ -
Management fees	7,670,065	-	-	-
Conference registration fees	23,078	-	-	-
Contributions	27,449	216,136	246,546	-
Grants	-	224,379	337,355	127,245
Special education	-	60,000	75,748	-
Other income	-	125,172	236,240	800
Net assets released from restrictions	<u>14,729</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>7,735,321</u>	<u>3,329,454</u>	<u>5,080,459</u>	<u>128,045</u>
Expenses:				
Salaries and benefits	3,741,827	1,734,302	2,213,069	73,982
Advertising	-	36,957	35,868	-
Conferences	228,572	-	-	-
Depreciation	54,599	59,014	81,510	-
Dues and subscriptions	-	3,050	3,503	-
Educational supplies and services	3,847	238,250	532,085	-
Insurance	28,181	34,321	33,324	-
Interest	814	6,080	6,080	-
Loss on disposal of equipment	3,355	-	-	-
Office supplies	60,807	30,651	39,086	33,570
Payroll taxes	265,199	79,094	91,588	5,723
Printing and reproduction	148,278	-	-	-
Professional fees	433,967	9,833	15,030	-
Pupil transportation	-	135,341	134,930	-
Rent	172,253	216,048	497,766	2,321
Repairs and maintenance	-	71,733	81,015	2,357
Scholarship expense	8,852	-	-	-
School program expense	297,679	525,095	741,755	4,547
Supplies and materials	45,246	-	25,709	-
Telephone	19,824	-	-	451
Travel and entertainment	189,378	13,725	29,087	-
Utilities	<u>11,379</u>	<u>50,586</u>	<u>72,351</u>	<u>1,704</u>
Total expenses	<u>5,714,057</u>	<u>3,244,080</u>	<u>4,633,756</u>	<u>124,655</u>
Change in unrestricted net assets	<u>2,021,264</u>	<u>85,374</u>	<u>446,703</u>	<u>3,390</u>

Horizon Science Academy Southwest	Eliminations	Consolidated
\$ -	\$ -	\$ 6,888,337
-	(812,958)	6,857,107
-	-	23,078
-	-	490,131
137,067	-	826,046
-	-	135,748
1,985	-	364,197
-	-	14,729
<u>139,052</u>	<u>(812,958)</u>	<u>15,599,373</u>
69,149	-	7,832,329
-	-	72,825
-	-	228,572
666	-	195,789
-	-	6,553
-	-	774,182
-	-	95,826
-	-	12,974
-	-	3,355
41,837	-	205,951
5,009	-	446,613
-	-	148,278
-	-	458,830
-	-	270,271
-	-	888,388
2,451	-	157,556
-	-	8,852
3,127	(812,958)	759,245
-	-	70,955
712	-	20,987
-	-	232,190
<u>3,347</u>	<u>-</u>	<u>139,367</u>
<u>126,298</u>	<u>(812,958)</u>	<u>13,029,888</u>
<u>12,754</u>	<u>-</u>	<u>2,569,485</u>

	<u>Concept Schools, Inc.</u>	<u>Horizon Science Academy Belmont</u>	<u>Horizon Science Academy McKinley Park</u>	<u>Horizon Science Academy Clay Evans</u>
Temporarily restricted net assets:				
Revenues:				
Contributions	-	33,864	4,759	-
Net assets released from restrictions	<u>(14,729)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in temporarily restricted net assets	<u>(14,729)</u>	<u>33,864</u>	<u>4,759</u>	<u>-</u>
Change in net assets	2,006,535	119,238	451,462	3,390
Net assets at beginning of year	<u>3,813,987</u>	<u>(62,062)</u>	<u>(44,263)</u>	<u>-</u>
Net assets at end of year	<u>\$ 5,820,522</u>	<u>\$ 57,176</u>	<u>\$ 407,199</u>	<u>\$ 3,390</u>

Horizon Science Academy Southwest	<u>Eliminations</u>	<u>Consolidated</u>
-	-	38,623
-	-	(14,729)
-	-	23,894
12,754	-	2,593,379
-	-	3,707,662
<u>\$ 12,754</u>	<u>\$ -</u>	<u>\$ 6,301,041</u>

CONCEPT SCHOOLS, INC.
CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2014

	<u>Concept Schools, Inc.</u>	<u>Horizon Science Academy Belmont</u>	<u>Horizon Science Academy McKinley Park</u>	<u>Horizon Science Academy Clay Evans</u>
Cash flows from operating activities:				
Change in net assets	\$ 2,006,535	\$ 119,238	\$ 451,462	\$ 3,390
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:				
Depreciation	54,599	59,014	81,510	-
Loss on disposal of equipment	3,355	-	-	-
Effects of changes in operating assets and liabilities:				
Receivables	59,587	(221,240)	(274,928)	(127,245)
Prepaid expenses and deposits	(202,564)	(17,182)	(77,545)	-
Accounts payable and accrued expenses	<u>(207,349)</u>	<u>265,033</u>	<u>400,722</u>	<u>69,357</u>
Net cash provided (used) by operating activities	<u>1,714,163</u>	<u>204,863</u>	<u>581,221</u>	<u>(54,498)</u>
Cash flows from investing activities:				
Collections of advances made to charter schools	203,000	-	-	-
Advances made to charter schools	(502,000)	-	-	-
Purchases of equipment, furniture and vehicles	<u>(113,485)</u>	<u>(98,311)</u>	<u>(272,151)</u>	<u>-</u>
Net cash used by investing activities	<u>(412,485)</u>	<u>(98,311)</u>	<u>(272,151)</u>	<u>-</u>
Cash flows from financing activities:				
Advances received from Concept Schools, Inc.	-	2,000	-	75,000
Repayment of advances received from Concept Schools, Inc.	-	-	(15,000)	-
Proceeds from notes payable	49,162	-	-	-
Principal repayments of notes payable	<u>(30,097)</u>	<u>(22,419)</u>	<u>(22,419)</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>19,065</u>	<u>(20,419)</u>	<u>(37,419)</u>	<u>75,000</u>
Net increase in cash	1,320,743	86,133	271,651	20,502
Cash at beginning of year	<u>2,380,518</u>	<u>48,495</u>	<u>57,165</u>	<u>-</u>
Cash at end of year	<u>\$ 3,701,261</u>	<u>\$ 134,628</u>	<u>\$ 328,816</u>	<u>\$ 20,502</u>

Horizon Science Academy Southwest	Eliminations	Consolidated
\$ 12,754	\$ -	\$ 2,593,379
666	-	195,789
-	-	3,355
(137,067)	328,677	(372,216)
-	-	(297,291)
<u>101,642</u>	<u>(328,677)</u>	<u>300,728</u>
<u>(22,005)</u>	<u>-</u>	<u>2,423,744</u>
-	(15,000)	188,000
-	177,000	(325,000)
<u>(3,329)</u>	<u>-</u>	<u>(487,276)</u>
<u>(3,329)</u>	<u>162,000</u>	<u>(624,276)</u>
100,000	(177,000)	-
-	15,000	-
-	-	49,162
<u>-</u>	<u>-</u>	<u>(74,935)</u>
<u>100,000</u>	<u>(162,000)</u>	<u>(25,773)</u>
74,666	-	1,773,695
<u>-</u>	<u>-</u>	<u>2,486,178</u>
<u>\$ 74,666</u>	<u>\$ -</u>	<u>\$ 4,259,873</u>

To the Board of Directors of
Concept Schools, Inc.
Des Plaines, Illinois

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Concept Schools, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2014, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated November 25, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Concept Schools, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Concept Schools, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Concept School, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Concept Schools, Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Concept School, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Concept School, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Orland Park, Illinois
November 25, 2014

CONCEPT SCHOOLS, INC.
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

CONCEPT SCHOOLS, INC.
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

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To the Board of Directors of
Concept Schools, Inc.
Des Plaines, Illinois

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Concept Schools, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

As more fully described in Note 13 to the consolidated financial statements, Concept Schools, Inc.'s consolidated financial statements for the year ended June 30, 2015 do not include the accounts of CSMS NFP, an entity in which Concept Schools, Inc. has a controlling financial interest. In our opinion, Concept Schools, Inc.'s consolidated financial statements should include the accounts of CSMS NFP to conform with accounting principles generally accepted in the United States of America. Quantification of the effects of this departure from generally accepted accounting principles on the consolidated financial position, changes in consolidated net assets, and consolidated cash flows of Concept Schools, Inc. is not practicable.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Concept Schools, Inc. as of June 30, 2015, and the changes in its consolidated net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 13 - 20 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual entities, and it is not a required part of the consolidated financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the consolidated financial statements.

The consolidating information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects on the consolidating information of the qualified opinion on the consolidated financial statements as described above, the consolidating information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2015, on our consideration of Concept Schools, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Concept Schools, Inc.'s internal control over financial reporting and compliance.

Malcahy, Pauritsch, Salvador, Co, Ltd.

Orland Park, Illinois
December 2, 2015

CONCEPT SCHOOLS, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015

ASSETS

Current assets:	
Cash	\$ 5,336,761
Accounts receivable	210,131
Grants receivable	411,863
Prepaid expenses and other current assets	<u>296,275</u>
Total current assets	6,255,030
Equipment, furniture and vehicles, less accumulated depreciation	1,878,091
Other asset:	
Due from charter schools	<u>730,850</u>
Total assets	<u>\$ 8,863,971</u>

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	\$ 400,892
Accrued expenses	918,233
Current portion of notes payable	<u>107,236</u>
Total current liabilities	1,426,361
Long-term liabilities:	
Notes payable, less current portion	<u>286,707</u>
Total liabilities	<u>1,713,068</u>
Net assets:	
Unrestricted	7,106,257
Temporarily restricted	<u>44,646</u>
Total net assets	<u>7,150,903</u>
Total liabilities and net assets	<u>\$ 8,863,971</u>

See notes to consolidated financial statements.

CONCEPT SCHOOLS, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues:			
Per-capita tuition, net	\$ 15,045,162	\$ -	\$ 15,045,162
Management fees	6,174,016	-	6,174,016
Conference registration fees	85,102	-	85,102
Contributions	23,185	10,000	33,185
Grants	1,116,494	-	1,116,494
In-kind contributions - breakfast and lunch programs	262,375	-	262,375
Other income	202,865	-	202,865
Net assets released from restrictions	<u>36,049</u>	<u>(36,049)</u>	<u>-</u>
Total revenues	<u>22,945,248</u>	<u>(26,049)</u>	<u>22,919,199</u>
Expenses:			
Salaries and benefits	11,133,881	-	11,133,881
Advertising	46,753	-	46,753
Breakfast and lunch programs	262,375	-	262,375
Contributions	90,200	-	90,200
Depreciation	378,260	-	378,260
Dues and subscriptions	4,535	-	4,535
Educational supplies and services	1,379,580	-	1,379,580
Insurance	94,320	-	94,320
Interest	20,388	-	20,388
Loss on disposal of equipment	269	-	269
Management services	1,492,930	-	1,492,930
Office supplies	431,327	-	431,327
Payroll taxes	448,488	-	448,488
Printing and reproduction	45,182	-	45,182
Professional fees	1,610,213	-	1,610,213
Pupil transportation	456,530	-	456,530
Rent	1,604,240	-	1,604,240
Repairs and maintenance	363,585	-	363,585
Scholarship expense	745	-	745
School program expense	1,343,395	-	1,343,395
Supplies and materials	90,160	-	90,160
Telephone	29,045	-	29,045
Travel and entertainment	256,800	-	256,800
Utilities	<u>233,846</u>	<u>-</u>	<u>233,846</u>
Total expenses	<u>21,817,047</u>	<u>-</u>	<u>21,817,047</u>
Change in net assets	<u>1,128,201</u>	<u>(26,049)</u>	<u>1,102,152</u>
Net assets at beginning of year:			
As previously reported	6,230,346	70,695	6,301,041
Prior period adjustment	<u>(252,290)</u>	<u>-</u>	<u>(252,290)</u>
As restated	<u>5,978,056</u>	<u>70,695</u>	<u>6,048,751</u>
Net assets at end of year	<u>\$ 7,106,257</u>	<u>\$ 44,646</u>	<u>\$ 7,150,903</u>

See notes to consolidated financial statements.

CONCEPT SCHOOLS, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2015

Cash flows from operating activities:		
Change in net assets	\$	1,102,152
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		378,260
Loss on disposal of equipment		269
Effects of changes in operating assets and liabilities:		
Receivables		727,247
Prepaid expenses and other current assets		15,639
Accounts payable and accrued expenses		<u>278,832</u>
Net cash provided by operating activities	\$	2,502,399
Cash flows from investing activities:		
Collections of advances made to charter schools		430,000
Advances made to charter schools		(563,850)
Purchases of equipment, furniture and vehicles		<u>(1,189,158)</u>
Net cash used by investing activities		(1,323,008)
Cash flows from financing activities:		
Principal repayments of notes payable		<u>(102,503)</u>
Net increase in cash		1,076,888
Cash at beginning of year		<u>4,259,873</u>
Cash at end of year	\$	<u><u>5,336,761</u></u>

See notes to consolidated financial statements.

CONCEPT SCHOOLS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

Concept Schools, Inc. and its subsidiaries (Horizon Science Academy - Belmont Charter School ("Belmont"), Horizon Science Academy - McKinley Park Charter School ("McKinley"), Horizon Science Academy - Clay Evans Charter School ("Clay Evans"), and Horizon Science Academy - Southwest Chicago Charter School ("Southwest")) were established to organize, operate and manage K - 12 charter schools. Clay Evans ceased operations during the year ended June 30, 2015.

Concept Schools, Inc. currently manages twenty-seven charter schools under annual agreements and operates three charter schools (Belmont, McKinley and Southwest).

B. Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Concept Schools, Inc. and its subsidiaries. Interentity transactions and balances have been eliminated in consolidation.

Concept Schools, Inc. and its subsidiaries are collectively referred to as "Concept."

C. Basis of Accounting

The consolidated financial statements of Concept have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

D. Basis of Presentation

Concept reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

E. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

F. Cash

For purposes of the statement of cash flows, Concept considers all short-term debt securities purchased with an original maturity of three months or less to be cash equivalents.

Concept's bank account balances, at times, exceed federally insured limits. Concept has not experienced any losses on these accounts.

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

G. Accounts Receivable

Concept Schools, Inc. extends credit to the schools it manages and generally requires no collateral. Accounts receivable are reported at their outstanding balance reduced by the allowance for doubtful accounts, if any.

The allowance for doubtful accounts is increased by charges to income and decreased by chargeoffs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the past collection experience of Concept Schools, Inc., known and inherent risks of the schools comprising the accounts receivable balance, adverse situations that may affect the school's ability to pay, and current economic conditions. Accounts receivable are charged off when management deems the balance to be uncollectible. Based on a review of outstanding accounts receivable, management determined that an allowance for doubtful accounts was not necessary at June 30, 2015.

H. Equipment, Furniture and Vehicles

Concept's equipment, furniture and vehicles are stated at cost or, if donated, at the estimated fair value upon receipt. It is Concept's policy to capitalize expenditures for these items in excess of \$500 for Concept Schools, Inc. and \$1,000 for the charter schools that it operates. Lesser amounts are expensed. Depreciation is calculated using straight-line and accelerated methods over the estimated useful lives of the related assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are expensed as incurred.

I. Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

J. Functional Expenses

The consolidated statement of activities discloses expenses by natural classification. Concept's expenses were incurred primarily for program services, summarized as follows:

Charter school operations	\$ 13,972,725
Charter school management	<u>7,844,322</u>
Total expenses	<u>\$ 21,817,047</u>

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

K. Subsequent Events

Management has evaluated subsequent events through December 2, 2015, which is the date the financial statements were available to be issued.

NOTE 2. DUE FROM CHARTER SCHOOLS

Concept Schools, Inc. has made advances to four charter schools. The advances are non-interest bearing, unsecured, and due on demand. The total balance receivable at June 30, 2015 was \$730,850.

Although the advances are due on demand, management of Concept Schools, Inc. has indicated that demand for repayment will not be made during the year ended June 30, 2016; therefore, the advances receivable are classified as a non-current asset on the accompanying consolidated statement of financial position.

NOTE 3. EQUIPMENT, FURNITURE AND VEHICLES

Concept's equipment, furniture and vehicles at June 30, 2015 consisted of the following:

Equipment and furniture	\$ 2,454,739
Vehicles	91,345
Less accumulated depreciation	<u>(667,993)</u>
Net equipment, furniture and vehicles	<u>\$ 1,878,091</u>

NOTE 4. NOTES PAYABLE

Concept Schools, Inc. has a note payable to a bank that is due in monthly installments of \$860, including interest at 1.9%, with final payment due in August, 2018. The note is collateralized by a vehicle. \$ 31,709

Belmont has an uncollateralized note payable to an unrelated party that is due in monthly installments of \$4,689, including interest at 4.75%. The final payment is due in December, 2018. 181,117

McKinley has an uncollateralized note payable to an unrelated party that is due in monthly installments of \$4,689, including interest at 4.75%. The final payment is due in December, 2018. 181,117

Total \$ 393,943

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

Future maturities of the notes payable in years ending June 30 are as follows:

2016	\$	107,236
2017		112,154
2018		117,307
2019		<u>57,246</u>
Total	\$	<u>393,943</u>

NOTE 5. TEMPORARILY RESTRICTED NET ASSETS

Net assets were temporarily restricted for the following purposes at June 30, 2015:

Start-up expenses for new charter schools	\$	3,319
Charter school alumni assistance		<u>41,327</u>
Total	\$	<u>44,646</u>

NOTE 6. OPERATING LEASES

Concept Schools, Inc. conducts its operations from a facility that was leased under a noncancelable operating lease that expired in August, 2015. The lease agreement called for specified rent increases in future years. Total rent expense was recorded on the straight-line basis over the term of the lease. The lease was renewed through August, 2016.

Belmont conducts its operations from a facility that is leased under a noncancelable operating lease that expires in July, 2018.

McKinley conducts its operations from a facility that is currently being leased on a month-to-month basis.

Southwest conducts its operations from a facility that is currently being leased on a month-to-month basis.

Rent expense for the year ended June 30, 2015 is summarized as follows:

Concept Schools, Inc.	\$	175,520
Belmont		207,259
McKinley		767,830
Clay		1,830
Southwest		<u>451,801</u>
Total	\$	<u>1,604,240</u>

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

Future minimum rental payments required under the long-term leases in years ending June 30 are as follows:

2016	\$	220,877
2017		225,300
2018		232,068
2019		<u>19,339</u>
Total	\$	<u>697,584</u>

NOTE 7. CASH FLOW INFORMATION

Cash paid for interest expense during the year ended June 30, 2015 was \$20,388.

NOTE 8. MANAGEMENT FEE INCOME

Concept Schools, Inc., being organized exclusively for charitable and educational purposes under Illinois law, strives to make its charitable services and programs available to the appropriate general public without undue obstacles to access. It is the general policy of Concept Schools, Inc. that any fees or charges associated with the charitable services and programs of Concept Schools, Inc. will be waived or reduced in accordance with each member school's ability to pay. Management fee income on the statement of activities for the year ended June 30, 2015 is reported net of fee waivers and reductions totaling \$3,339,431.

NOTE 9. INCOME TAXES

Concept Schools, Inc. operates as a nonprofit organization and has received exempt status under Section 501(c)(3) of the Internal Revenue Code.

Concept Schools, Inc.'s federal Exempt Organization Business Income Tax Return (Form 990) is subject to examination by the Internal Revenue Service, generally for three years after the date it was filed.

NOTE 10. TEACHER RETIREMENT FUND COMMITMENTS

Belmont, McKinley and Southwest participate in the Public School Teachers' Pension and Retirement Fund of Chicago (the "Fund"), a cost sharing multiple employer defined benefit public employee retirement system. Members of the Fund include all active nonannuitants who are employed by a Fund-covered employer and who hold an Illinois State Teacher Certification Board certification.

CONCEPT SCHOOLS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2015

During the year ended June 30, 2015, Belmont, McKinley and Southwest made contributions to the Fund of \$71,122, \$120,941 and \$92,785, respectively. In addition, Belmont, McKinley and Southwest elected to pay a portion of their employees' contributions to the Fund. During the year ended June 30, 2015, Belmont, McKinley and Southwest paid employee contributions to the Fund of \$14,876, \$34,555 and \$26,510, respectively.

NOTE 11. CONCENTRATIONS

Southwest's charter school agreement with Chicago Public Schools expires in 2018. Belmont's and McKinley's charter school agreements with the Illinois State Charter School Commission also expire in 2018.

NOTE 12. CONTINGENCY

Concept Schools, Inc. is being investigated by the United States Attorney's Office for the Northern District of Ohio, along with other investigative agencies. Although the outcome of this investigation is not presently determinable, in the opinion of Concept Schools, Inc.'s management, the resolution of this investigation will not have a material adverse effect on the consolidated financial condition of Concept.

NOTE 13. UNCONSOLIDATED ENTITY

During the year ended June 30, 2015, the Internal Revenue Service required Concept Schools, Inc. to create a for-profit entity to perform certain activities previously performed by Concept Schools, Inc. CSMS NFP, an entity in which Concept Schools, Inc. has a controlling financial interest, was formed to meet this requirement. Accounting principles generally accepted in the United States of America require nonprofit organizations to consolidate entities in which they have a controlling financial interest into their financial statements.

Concept Schools, Inc. has not consolidated CSMS NFP into its financial statements. The effects of this departure from accounting principles generally accepted in the United States of America on financial position, changes in net assets, and cash flows have not been determined.

CSMS NFP charges Concept Schools, Inc. for professional and technical services. CSMS NFP charged Concept Schools, Inc. \$1,492,930 for these services during the year ended June 30, 2015.

NOTE 14. PRIOR PERIOD ADJUSTMENT

Net assets at the beginning of the year has been adjusted to correct an overstatement of grants receivable at June 30, 2014. Had grants receivable not been overstated, the change in net assets for the year ended June 30, 2014 would have decreased by \$252,290.

SUPPLEMENTARY INFORMATION

CONCEPT SCHOOLS, INC.
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2015

	<u>Concept Schools, Inc.</u>	<u>Horizon Science Academy Belmont</u>	<u>Horizon Science Academy McKinley Park</u>	<u>Horizon Science Academy Clay Evans</u>
ASSETS				
Current assets:				
Cash	\$ 3,801,873	\$ 337,765	\$ 797,833	\$ -
Accounts receivable	281,955	-	-	-
Grants receivable	-	99,257	148,951	-
Prepaid expenses and other current assets	<u>218,037</u>	<u>39,353</u>	<u>26,355</u>	<u>-</u>
Total current assets	4,301,865	476,375	973,139	-
Equipment, furniture and vehicles, less accumulated depreciation	141,331	409,957	812,271	-
Other asset:				
Due from charter schools	<u>1,270,350</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 5,713,546</u>	<u>\$ 886,332</u>	<u>\$ 1,785,410</u>	<u>\$ -</u>
LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable	\$ 131,425	\$ 51,632	\$ 56,689	\$ -
Accrued expenses	51,543	315,102	359,725	-
Current portion of notes payable	<u>9,798</u>	<u>48,719</u>	<u>48,719</u>	<u>-</u>
Total current liabilities	<u>192,766</u>	<u>415,453</u>	<u>465,133</u>	<u>-</u>
Long-term liabilities:				
Notes payable, less current portion	21,911	132,398	132,398	-
Due to Concept Schools, Inc.	<u>-</u>	<u>219,000</u>	<u>120,500</u>	<u>-</u>
Total long-term liabilities	<u>21,911</u>	<u>351,398</u>	<u>252,898</u>	<u>-</u>
Total liabilities	<u>214,677</u>	<u>766,851</u>	<u>718,031</u>	<u>-</u>
Net assets:				
Unrestricted	5,457,542	116,162	1,067,379	-
Temporarily restricted	<u>41,327</u>	<u>3,319</u>	<u>-</u>	<u>-</u>
Total net assets	<u>5,498,869</u>	<u>119,481</u>	<u>1,067,379</u>	<u>-</u>
Total liabilities and net assets	<u>\$ 5,713,546</u>	<u>\$ 886,332</u>	<u>\$ 1,785,410</u>	<u>\$ -</u>

Horizon Science Academy Southwest	Eliminations	Consolidated
\$ 399,290	\$ -	\$ 5,336,761
5,610	(77,434)	210,131
163,655	-	411,863
<u>12,530</u>	<u>-</u>	<u>296,275</u>
581,085	(77,434)	6,255,030
514,532	-	1,878,091
-	(539,500)	730,850
<u>\$ 1,095,617</u>	<u>\$ (616,934)</u>	<u>\$ 8,863,971</u>

\$ 161,146	\$ -	\$ 400,892
269,297	(77,434)	918,233
<u>-</u>	<u>-</u>	<u>107,236</u>
430,443	(77,434)	1,426,361
-	-	286,707
<u>200,000</u>	<u>(539,500)</u>	<u>-</u>
200,000	(539,500)	286,707
<u>630,443</u>	<u>(616,934)</u>	<u>1,713,068</u>
465,174	-	7,106,257
<u>-</u>	<u>-</u>	<u>44,646</u>
465,174	-	7,150,903
<u>\$ 1,095,617</u>	<u>\$ (616,934)</u>	<u>\$ 8,863,971</u>

CONCEPT SCHOOLS, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

	<u>Concept Schools, Inc.</u>	<u>Horizon Science Academy Belmont</u>	<u>Horizon Science Academy McKinley Park</u>	<u>Horizon Science Academy Clay Evans</u>
Unrestricted net assets:				
Revenues:				
Per-capita tuition, net	\$ -	\$ 3,705,922	\$ 5,918,290	\$ 381,403
Management fees	7,365,856	-	-	-
Conference registration fees	85,102	-	-	-
Contributions	16,500	-	6,255	-
Grants	-	486,280	630,214	-
In-kind contributions - breakfast and lunch programs	-	-	-	-
Other income	45,211	9,342	69,895	-
Net assets released from restrictions	<u>745</u>	<u>30,545</u>	<u>4,759</u>	<u>-</u>
Total revenues	<u>7,513,414</u>	<u>4,232,089</u>	<u>6,629,413</u>	<u>381,403</u>
Expenses:				
Salaries and benefits	3,463,618	2,120,194	2,785,004	149,259
Advertising	-	28,594	18,159	-
Breakfast and lunch programs	-	-	-	-
Contributions	90,200	-	-	-
Depreciation	55,432	88,162	146,879	-
Dues and subscriptions	-	2,543	1,992	-
Educational supplies and services	11,854	235,003	426,613	-
Insurance	31,439	32,865	30,016	-
Interest	774	9,807	9,807	-
Loss on disposal of equipment	269	-	-	-
Management services	1,492,930	-	-	-
Office supplies	80,043	28,429	62,771	28,819
Payroll taxes	207,018	79,683	74,745	8,130
Printing and reproduction	45,182	-	-	-
Professional fees	1,536,390	47,094	17,079	-
Pupil transportation	-	230,530	226,000	-
Rent	175,520	207,259	767,830	1,830
Repairs and maintenance	-	115,369	63,705	144,107
Scholarship expense	745	-	-	-
School program expense	407,070	688,995	1,065,241	9,496
Supplies and materials	23,939	-	27,266	38,955
Telephone	21,417	-	-	591
Travel and entertainment	189,910	20,417	46,473	-
Utilities	<u>10,572</u>	<u>76,579</u>	<u>70,320</u>	<u>3,606</u>
Total expenses	<u>7,844,322</u>	<u>4,011,523</u>	<u>5,839,900</u>	<u>384,793</u>
Change in unrestricted net assets	<u>(330,908)</u>	<u>220,566</u>	<u>789,513</u>	<u>(3,390)</u>

Horizon Science Academy Southwest	Eliminations	Consolidated
\$ 5,039,547	\$ -	\$ 15,045,162
-	(1,191,840)	6,174,016
-	-	85,102
430	-	23,185
-	-	1,116,494
262,375	-	262,375
78,417	-	202,865
-	-	36,049
<u>5,380,769</u>	<u>(1,191,840)</u>	<u>22,945,248</u>
2,615,806	-	11,133,881
-	-	46,753
262,375	-	262,375
-	-	90,200
87,787	-	378,260
-	-	4,535
706,110	-	1,379,580
-	-	94,320
-	-	20,388
-	-	269
-	-	1,492,930
231,265	-	431,327
78,912	-	448,488
-	-	45,182
9,650	-	1,610,213
-	-	456,530
451,801	-	1,604,240
40,404	-	363,585
-	-	745
364,433	(1,191,840)	1,343,395
-	-	90,160
7,037	-	29,045
-	-	256,800
<u>72,769</u>	<u>-</u>	<u>233,846</u>
<u>4,928,349</u>	<u>(1,191,840)</u>	<u>21,817,047</u>
<u>452,420</u>	<u>-</u>	<u>1,128,201</u>

CONCEPT SCHOOLS, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

	<u>Concept Schools, Inc.</u>	<u>Horizon Science Academy Belmont</u>	<u>Horizon Science Academy McKinley Park</u>	<u>Horizon Science Academy Clay Evans</u>
Temporarily restricted net assets:				
Revenues:				
Contribution	10,000	-	-	-
Net assets released from restrictions	<u>(745)</u>	<u>(30,545)</u>	<u>(4,759)</u>	<u>-</u>
Change in temporarily restricted net assets	<u>9,255</u>	<u>(30,545)</u>	<u>(4,759)</u>	<u>-</u>
Change in net assets	<u>(321,653)</u>	<u>190,021</u>	<u>784,754</u>	<u>(3,390)</u>
Net assets at beginning of year:				
As previously reported	5,820,522	57,176	407,199	3,390
Prior period adjustment	<u>-</u>	<u>(127,716)</u>	<u>(124,574)</u>	<u>-</u>
As restated	<u>5,820,522</u>	<u>(70,540)</u>	<u>282,625</u>	<u>3,390</u>
Net assets at end of year	<u>\$ 5,498,869</u>	<u>\$ 119,481</u>	<u>\$ 1,067,379</u>	<u>\$ -</u>

Horizon Science Academy Southwest	Eliminations	Consolidated
-	-	10,000
-	-	(36,049)
-	-	(26,049)
452,420	-	1,102,152
12,754	-	6,301,041
-	-	(252,290)
12,754	-	6,048,751
\$ 465,174	\$ -	\$ 7,150,903

CONCEPT SCHOOLS, INC.
CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2015

	<u>Concept Schools, Inc.</u>	<u>Horizon Science Academy Belmont</u>	<u>Horizon Science Academy McKinley Park</u>	<u>Horizon Science Academy Clay Evans</u>
Cash flows from operating activities:				
Change in net assets	\$ (321,653)	\$ 190,021	\$ 784,754	\$ (3,390)
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation	55,432	88,162	146,879	-
Loss on disposal of equipment	269	-	-	-
Effects of changes in operating assets and liabilities:				
Receivables	559,096	(5,733)	1,403	127,245
Prepaid expenses and other current assets	(850)	(22,171)	51,190	-
Accounts payable and accrued expenses	43,447	67,250	(13,875)	(69,357)
Net cash provided by operating activities	<u>335,741</u>	<u>317,529</u>	<u>970,351</u>	<u>54,498</u>
Cash flows from investing activities:				
Collections of advances made to charter schools	530,000	-	-	-
Advances made to charter schools	(723,850)	-	-	-
Purchases of equipment, furniture and vehicles	<u>(31,704)</u>	<u>(127,928)</u>	<u>(429,870)</u>	<u>-</u>
Net cash used by investing activities	<u>(225,554)</u>	<u>(127,928)</u>	<u>(429,870)</u>	<u>-</u>
Cash flows from financing activities:				
Advances received from Concept Schools, Inc.	-	60,000	-	-
Repayment of advances received from Concept Schools, Inc.	-	-	(25,000)	(75,000)
Principal repayments of notes payable	<u>(9,575)</u>	<u>(46,464)</u>	<u>(46,464)</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>(9,575)</u>	<u>13,536</u>	<u>(71,464)</u>	<u>(75,000)</u>
Net increase (decrease) in cash	100,612	203,137	469,017	(20,502)
Cash at beginning of year	<u>3,701,261</u>	<u>134,628</u>	<u>328,816</u>	<u>20,502</u>
Cash at end of year	<u>\$ 3,801,873</u>	<u>\$ 337,765</u>	<u>\$ 797,833</u>	<u>\$ -</u>

<u>Horizon Science Academy Southwest</u>	<u>Eliminations</u>	<u>Consolidated</u>
\$ 452,420	\$ -	\$ 1,102,152
87,787	-	378,260
-	-	269
(32,198)	77,434	727,247
(12,530)	-	15,639
<u>328,801</u>	<u>(77,434)</u>	<u>278,832</u>
<u>824,280</u>	<u>-</u>	<u>2,502,399</u>
-	(100,000)	430,000
-	160,000	(563,850)
<u>(599,656)</u>	<u>-</u>	<u>(1,189,158)</u>
<u>(599,656)</u>	<u>60,000</u>	<u>(1,323,008)</u>
100,000	(160,000)	-
-	100,000	-
<u>-</u>	<u>-</u>	<u>(102,503)</u>
<u>100,000</u>	<u>(60,000)</u>	<u>(102,503)</u>
324,624	-	1,076,888
<u>74,666</u>	<u>-</u>	<u>4,259,873</u>
<u>\$ 399,290</u>	<u>\$ -</u>	<u>\$ 5,336,761</u>

To the Board of Directors of
Concept Schools, Inc.
Des Plaines, Illinois

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Concept Schools, Inc. (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2015, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 2, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Concept Schools, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Concept Schools, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Concept Schools, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether Concept Schools, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mulcahy, Pauritsch, Salvador: Co, Ltd.



To the Board of Directors of
Concept Schools, Inc.
Des Plaines, Illinois

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Report on Compliance for Each Major Federal Program

We have audited Concept Schools, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Concept Schools, Inc.'s major federal programs for the year ended June 30, 2015. Concept Schools, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Concept Schools, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Concept Schools, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Concept Schools, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Concept Schools, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.



Report on Internal Control Over Compliance

Management of Concept Schools, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Concept Schools, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Concept Schools, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Mulcahy, Pauretsch, Salvador, Co., Ltd.

Orland Park, Illinois
December 2, 2015

CONCEPT SCHOOLS, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015

<u>Program</u>	<u>C.F.D.A. Number</u>	<u>Program #</u>	<u>Expenditures</u>
U.S. Department of Education:			
Passed through Illinois State Board of Education:			
Title I - Low Income (M)	84.010	15-4300	\$ 253,275
Title II - Teacher Quality	84.367	15-4932	36,587
Pre-School Flow Through	84.173	15-4600	948
IDEA Flow Through	84.027	15-4620	<u>86,828</u>
Total U.S. Department of Education			<u>377,638</u>
U.S. Department of Agriculture:			
Passed through Illinois State Board of Education:			
National School Lunch Program (M)	10.555	15-4210	204,388
School Breakfast Program (M)	10.553	15-4220	<u>30,102</u>
Total U.S. Department of Agriculture			<u>234,490</u>
Total expenditures of federal awards			<u>\$ 612,128</u>

(M) - Major Program

See notes to schedule of expenditures of federal awards.

CONCEPT SCHOOLS, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Horizon Science Academy McKinley Park, a subsidiary of Concept Schools, Inc. (Concept) and is presented on the accrual basis of accounting. The information presented in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

B. Relationship to Basic Financial Statements

Federal financial assistance received is included in grant revenue on Concept's consolidated statement of activities.

C. Non-Cash Assistance

Non-cash assistance amounted to zero.

D. Insurance in Effect

Insurance in effect amounted to zero.

E. Loan or Loan Guarantees

Loan or loan guarantees amounted to zero.

NOTE 2. SUBRECIPIENTS

Concept provided no federal awards to subrecipients.

CONCEPT SCHOOLS, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: UNMODIFIED

Internal control over financial reporting:

- Material weaknesses identified? yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? yes X none reported

Type of auditor's report issued on compliance for major programs: UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.555	National School Lunch Program
10.553	School Breakfast Program
84.010	Title I - Low Income

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? yes X no

Assurances Statement

This form must be signed by a duly authorized representative of the applicant for renewal and submitted with the Renewal Application. An application will be considered incomplete if it is not accompanied by the Assurances Form signed by an authorized individual.

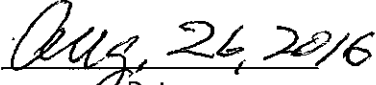
As the authorized representative of the applicant, I hereby certify that the information submitted in this application for charter renewal for Indiana Math and Science Academy North to be located at 7435 N. Keystone Avenue, Indianapolis, IN 46240 is true to the best of my knowledge and belief; and further I understand that, if awarded a renewal, the school:

1. will not charge tuition, fees, or other mandatory payments for attendance at the charter school, or for participation in its programs, except for a preschool program or a latch key program. IC 20-5.5-8-2
2. will enroll any eligible student who submits a timely application, unless the school receives a greater number of applications than there are spaces for students, in which case, each timely applicant will be given equal chance of admission. IC 20-5.5-5-4
3. will provide the number of students enrolled in the charter school, the name of each student and the school corporation in which each student resides to the Indiana Department of Education by the date established thereby. IC 20-5.5-7-3
4. will submit an annual report to the Indiana Department of Education in the form required thereby. IC 20-5.5-9-1
5. will submit attendance records, student performance data, financial information, any information necessary to comply with state and federal government requirements, and any other information specified in the charter to the Mayor's Office. IC 20-5.5-9-5
6. will participate in the Indiana State Teachers' Retirement Fund in accordance with IC 21-6.1 and the Public Employees Retirement Fund in accordance with IC 5-10.3. IC 20-5.5-6-7, and/or another comparable and appropriate pension or retirement fund approved by the Mayor's Office.
7. will maintain separate accountings of all funds received and disbursed by the school. IC 20-5.5-7-1
8. will ensure 90% of individuals who teach hold a license to teach in a public school in Indiana under I.C. 20-6.13 or are in the process of obtaining a license to teach in a public school in Indiana under the transition to teaching program set forth in IC 20-6.1-3.11. IC 20-24-6-5
9. will permit certified employees at the charter school the opportunity to organize and bargain collectively under I.C. 20-7.5. IC 20-5.5-6-3
10. will operate with the organizer serving in the capacity of fiscal agent for the charter school and in compliance with generally accepted government accounting principles.
11. will at all times maintain all necessary and appropriate insurance coverage.

12. will indemnify and hold harmless the City of Indianapolis (including without limitation, the Mayor's Office), the State of Indiana, all school corporations providing funds to the charter school, and their officers, directors, agents and employees, and any successors and assigns from any and all liability, cause of action, or other injury or damage in any way relating to the charter school or its operation.
13. will follow all federal and state laws and constitutional provisions that prohibit discrimination on the basis of the following: disability, race, color, gender, national origin, religion and ancestry.
IC 20-5.5-2-2
14. will adhere to all provisions of federal law relating to students with disabilities, including the IDEA, section 504 of the Rehabilitation Act of 1974, and Title II of the Americans with Disabilities Act of 1990, that are applicable to it.
15. will be non-religious in its programs, admissions policies, governance, employment practices and all other operations, and its curriculum will be completely secular.
16. will adhere to all provisions of federal law relating to students who are limited English proficient (LEP), including Title VI of the Civil Rights Act of 1964 and the Equal Educational Opportunities Act of 1974, that are applicable to it.
17. will follow any and all other federal, state, and local laws and regulations that pertain to the applicant or the operation of the charter school.



Authorized Representative's Signature



Date

		Enrollment Target	FY18 650	FY19 660	FY20 670	FY21 682	FY22 682
Income							
	1741 · Student and Adult Fees		\$ 47,778.88	\$ 48,513.94	\$ 49,260.31	\$ 50,018.16	\$ 50,787.67
	1910 · Rentals		\$ 27,500.00	\$ 27,923.08	\$ 28,352.66	\$ 28,788.86	\$ 29,231.76
	1920 · Contributions & Donations		\$ 3,000.00	\$ 3,046.15	\$ 3,093.02	\$ 3,140.60	\$ 3,188.92
	1942 · Textbook Rentals		\$ 2,000.00	\$ 2,030.77	\$ 2,062.01	\$ 2,093.74	\$ 2,125.95
	1994 · Other Overpayments & Reimb		\$ 9,500.00	\$ 9,646.15	\$ 9,794.56	\$ 9,945.24	\$ 10,098.25
	1999 · Other		\$ 8,000.00	\$ 8,123.08	\$ 8,248.05	\$ 8,374.94	\$ 8,503.79
	3111 · Basic Grant		\$ 4,679,166.00	\$ 4,746,502.00	\$ 4,813,838.00	\$ 4,894,642.00	\$ 4,894,642.00
	3151 · School Lunch		\$ 937.99	\$ 952.42	\$ 967.07	\$ 981.95	\$ 997.06
	3910 · Textbook Reimbursements		\$ 45,195.62	\$ 45,890.94	\$ 46,596.95	\$ 47,313.83	\$ 48,041.73
	3291 · Non-English Speaking Program		\$ 6,010.91	\$ 6,103.38	\$ 6,197.28	\$ 6,292.63	\$ 6,389.44
	4223 · Public Law 101-476 IDEA		\$ 134,352.00	\$ 136,418.95	\$ 138,517.71	\$ 140,648.75	\$ 142,812.58
	4291 · School Lunch Reimbursement		\$ 222,572.32	\$ 225,996.51	\$ 229,473.38	\$ 233,003.74	\$ 236,588.41
	4292 · School Breakfast Reimbursement		\$ 99,109.58	\$ 100,634.34	\$ 102,182.56	\$ 103,754.60	\$ 105,350.82
	4514 · Title I		\$ 510,960.83	\$ 518,821.77	\$ 526,803.64	\$ 534,908.31	\$ 543,137.67
	4990 · Title II Funds		\$ 58,528.64	\$ 59,429.08	\$ 60,343.37	\$ 61,271.73	\$ 62,214.37
	Title III		\$ 4,652.18	\$ 4,723.75	\$ 4,796.43	\$ 4,870.22	\$ 4,945.14
			\$ 5,859,264.94	\$ 5,944,756.31	\$ 6,030,526.99	\$ 6,130,049.29	\$ 6,149,055.55
	TOTAL		\$ 5,859,264.94	\$ 5,944,756.31	\$ 6,030,526.99	\$ 6,130,049.29	\$ 6,149,055.55
	11050 · Full Day Kindergarten						
	11050.110 Certified Salaries		\$ 80,700.50	\$ 83,121.52	\$ 84,783.95	\$ 86,479.62	\$ 88,209.22
	11050.120 Non-Cert Salaries		\$ 36,076.68	\$ 37,158.98	\$ 37,902.16	\$ 38,660.20	\$ 39,433.40
	11050.211 Social Security-Non Cert		\$ 2,759.87	\$ 2,842.66	\$ 2,899.51	\$ 2,957.51	\$ 3,016.66
	11050.212 Social Security-Cert		\$ 6,173.59	\$ 6,358.80	\$ 6,485.97	\$ 6,615.69	\$ 6,748.01
	11050.214 PERF		\$ 4,040.59	\$ 4,161.81	\$ 4,245.04	\$ 4,329.94	\$ 4,416.54
	11050.216 TRF		\$ 6,234.11	\$ 6,421.14	\$ 6,549.56	\$ 6,680.55	\$ 6,814.16
	11050.221 Group Life Insurance		\$ 128.75	\$ 132.61	\$ 135.26	\$ 137.97	\$ 140.73
	11050.222 Group Health Ins		\$ 14,987.07	\$ 15,436.68	\$ 15,899.78	\$ 16,376.77	\$ 16,868.08
	11050.319 Other Prof/Tech Serv		\$ 1,224.00	\$ 1,248.48	\$ 1,273.45	\$ 1,298.92	\$ 1,324.90
	11050.611 Operational Supplies		\$ 2,550.00	\$ 2,601.00	\$ 2,653.02	\$ 2,706.08	\$ 2,760.20
	11050.660 Uniforms		\$ 3,523.08	\$ 3,628.77	\$ 3,701.35	\$ 3,775.37	\$ 3,850.88
	Total 11050 · Full Day Kindergarten		\$ 158,398.23	\$ 163,112.44	\$ 166,529.05	\$ 170,018.63	\$ 173,582.77
	11100 · Elementary						
	11100.110 Certified Salaries		\$ 515,816.04	\$ 526,132.36	\$ 531,393.68	\$ 536,707.62	\$ 542,074.70
	11100.212 Social Security-Cert		\$ 39,459.93	\$ 40,249.13	\$ 40,651.62	\$ 41,058.13	\$ 41,468.71
	11100.216 TRF		\$ 38,686.20	\$ 39,459.93	\$ 39,854.53	\$ 40,253.07	\$ 40,655.60
	11100.221 Group Life Insurance		\$ 309.00	\$ 309.00	\$ 310.50	\$ 312.09	\$ 312.09
	11100.222 Group Health Ins		\$ 41,035.35	\$ 42,266.42	\$ 43,534.41	\$ 44,840.44	\$ 46,185.65
	11100.319 Other Prof/Tech Serv		\$ 10,404.00	\$ 10,612.08	\$ 10,824.32	\$ 11,040.81	\$ 11,261.62
	11100.611 Operational Supplies		\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32	\$ 11,040.81
	11100.630 Textbooks		\$ 15,450.00	\$ 15,759.00	\$ 11,000.00	\$ 26,000.00	
	11100.660 Uniforms		\$ 8,755.00	\$ 8,930.10	\$ 9,108.70	\$ 9,290.88	\$ 9,476.69
	Total 11100 · Elementary		\$ 680,115.52	\$ 694,122.01	\$ 697,289.84	\$ 720,327.36	\$ 702,475.88
	11200 · Middle/Junior High						
	11200.110 Certified Salaries		\$ 441,170.40	\$ 449,993.81	\$ 454,493.75	\$ 459,038.68	\$ 463,629.07
	11200.212 Social Security-Cert		\$ 33,749.54	\$ 34,424.53	\$ 34,768.77	\$ 35,116.46	\$ 35,467.62
	11200.216 TRF		\$ 33,087.78	\$ 33,749.54	\$ 34,087.03	\$ 34,427.90	\$ 34,772.18
	11200.221 Group Life Insurance		\$ 280.50	\$ 286.11	\$ 288.97	\$ 291.86	\$ 294.78
	11200.222 Group Health Ins		\$ 37,265.32	\$ 38,383.28	\$ 39,534.78	\$ 40,720.82	\$ 41,942.44
	11200.319 Other Prof/Tech Serv		\$ 6,732.00	\$ 6,866.64	\$ 7,003.97	\$ 7,144.05	\$ 7,286.93
	11200.611 Operational Supplies		\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32	\$ 11,040.81
	11200.630 Textbooks		\$ 10,200.00	\$ 10,404.00	\$ 14,000.00	\$ 13,500.00	
	11200.660 Uniforms		\$ 6,630.00	\$ 6,762.60	\$ 6,897.85	\$ 7,035.81	\$ 7,176.53
	Total 11200 · Middle/Junior High		\$ 579,315.53	\$ 591,274.50	\$ 601,687.20	\$ 608,099.91	\$ 601,610.36
	11300 · High School						
	11300.110 Certified Salaries		\$ 602,995.65	\$ 615,055.57	\$ 627,356.68	\$ 633,630.25	\$ 639,966.55
	11300.212 Social Security-Cert		\$ 46,129.17	\$ 47,051.75	\$ 47,992.79	\$ 48,472.71	\$ 48,957.44
	11300.216 TRF		\$ 46,129.17	\$ 47,051.75	\$ 47,992.79	\$ 48,472.71	\$ 48,957.44
	11300.221 Group Life Insurance		\$ 206.00	\$ 210.12	\$ 214.32	\$ 216.47	\$ 218.63
	11300.222 Group Health Ins		\$ 71,151.69	\$ 73,286.24	\$ 75,484.83	\$ 76,994.52	\$ 79,304.36
	11300.319 Other Prof/Tech Serv		\$ 7,956.00	\$ 8,115.12	\$ 8,277.42	\$ 8,442.97	\$ 8,611.83
	11300.611 Operational Supplies		\$ 9,180.00	\$ 9,363.60	\$ 9,550.87	\$ 9,741.89	\$ 9,936.73
	11300.630 Textbooks		\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32	\$ 11,040.81
	11300.660 Uniforms		\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32	\$ 11,040.81
	Total 11300 · High School		\$ 804,147.68	\$ 820,942.15	\$ 838,093.85	\$ 847,620.17	\$ 858,034.59
	12610 · Learning Disability						
	12610.110 Certified Salaries		\$ 166,270.20	\$ 169,595.60	\$ 172,987.52	\$ 176,447.27	\$ 179,976.21
	12610.212 Social Security-Cert		\$ 12,719.68	\$ 12,974.07	\$ 13,233.55	\$ 13,498.22	\$ 13,768.19
	12610.216 TRF		\$ 12,470.27	\$ 12,719.67	\$ 12,974.06	\$ 13,233.54	\$ 13,498.22
	12610.221 Group Life Insurance		\$ 61.80	\$ 63.65	\$ 64.93	\$ 66.23	\$ 67.55
	12610.222 Group Health Ins		\$ 10,509.68	\$ 10,824.97	\$ 11,149.72	\$ 11,484.21	\$ 11,828.73
	12610.319 Other Prof/Tech Serv		\$ 56,497.06	\$ 57,627.00	\$ 58,779.54	\$ 59,955.13	\$ 61,154.23
	12610.611 Operational Supplies		\$ 510.00	\$ 525.30	\$ 541.06	\$ 557.29	\$ 574.01
	Total 12610 · Learning Disability		\$ 259,038.67	\$ 264,330.26	\$ 269,730.37	\$ 275,241.88	\$ 280,867.14
	21220 · Counseling Services						
	21220.110 Certified Salaries		\$ 48,702.45	\$ 49,676.50	\$ 50,670.03	\$ 51,683.43	\$ 52,717.10
	21220.212 Social Security-Cert		\$ 3,725.73	\$ 3,800.25	\$ 3,876.25	\$ 3,953.78	\$ 4,032.85
	21220.216 TRF		\$ 3,652.68	\$ 3,725.73	\$ 3,800.25	\$ 3,876.25	\$ 3,953.78
	21220.221 Group Life Insurance		\$ 35.70	\$ 36.77	\$ 37.51	\$ 38.26	\$ 39.02
	Total 21220 · Counseling Services		\$ 56,116.56	\$ 57,239.25	\$ 58,384.04	\$ 59,551.72	\$ 60,742.75
	22130 · Instructional Staff Training						

	22130.312 Program Improvement	\$ 3,060.00	\$ 3,151.80	\$ 3,246.35	\$ 3,343.74	\$ 3,444.06
	22130.319 Other Prof/Tech Serv	\$ 15,300.00	\$ 15,606.00	\$ 15,918.12	\$ 16,236.48	\$ 16,561.21
	22130.580 Travel	\$ 4,944.38	\$ 5,043.27	\$ 5,144.13	\$ 5,247.01	\$ 5,351.95
	22130.611 Operational Supplies	\$ 153.00	\$ 157.59	\$ 162.32	\$ 167.19	\$ 172.20
	22130.810 Dues & Fees	\$ 1,020.00	\$ 1,050.60	\$ 1,082.12	\$ 1,114.58	\$ 1,148.02
	Total 22130 - Instructional Staff Training	\$ 24,477.38	\$ 25,009.26	\$ 25,553.04	\$ 26,109.01	\$ 26,677.45
	22360 - Network Support					
	22360.319 Other Prof/Tech Serv	\$ -	\$ -	\$ -	\$ -	\$ -
	22360.611 Operational Supplies	\$ 1,020.00	\$ 1,040.40	\$ 1,061.21	\$ 1,082.43	\$ 1,104.08
	22360.744 Connectivity	\$ 2,856.00	\$ 2,913.12	\$ 2,971.38	\$ 3,030.81	\$ 3,091.43
	Total 22360 - Network Support	\$ 3,876.00	\$ 3,953.52	\$ 4,032.59	\$ 4,113.24	\$ 4,195.51
	23150 - Legal Services					
	23150.318 Legal Fees	\$ 2,550.00	\$ 2,601.00	\$ 2,653.02	\$ 2,706.08	\$ 2,760.20
	23150.319 Other Prof/Tech Serv	\$ 1,020.00	\$ 1,040.40	\$ 1,061.21	\$ 1,082.43	\$ 1,104.08
	Total 23150 - Legal Services	\$ 3,570.00	\$ 3,641.40	\$ 3,714.23	\$ 3,788.51	\$ 3,864.28
	23210 - Office of the Superintendent					
	23210.110 Certified Salaries					
	23210.120 Non-Cert Salaries	\$ 47,652.95	\$ 48,606.01	\$ 49,578.13	\$ 50,569.69	\$ 51,581.09
	23210.211 Soc Sec-Non-Cert	\$ 3,645.45	\$ 3,718.36	\$ 3,792.72	\$ 3,868.58	\$ 3,945.95
	23210.214 PERF	\$ 5,337.13	\$ 5,497.24	\$ 5,607.19	\$ 5,719.33	\$ 5,833.72
	23210.222 Group Health Ins	\$ 11,630.76	\$ 11,979.68	\$ 12,339.07	\$ 12,709.25	\$ 13,090.52
	23210.319 Other Prof/Tech Serv(c)	\$ 233,958.30	\$ 237,325.10	\$ 240,691.90	\$ 244,732.10	\$ 244,732.10
	23210.319 Other Prof/Tech Serv(S)	\$ 33,071.94	\$ 33,580.74	\$ 34,089.54	\$ 34,700.10	\$ 34,700.10
	23210.580 Travel	\$ 1,530.00	\$ 1,560.60	\$ 1,591.81	\$ 1,623.65	\$ 1,656.12
	Total 23210 - Office of the Superintendent	\$ 336,826.53	\$ 342,267.74	\$ 347,690.37	\$ 353,922.70	\$ 355,539.60
	23220 - Community Relations					
	23220.540 Advertising	\$ 20,400.00	\$ 20,808.00	\$ 21,224.16	\$ 21,648.64	\$ 22,081.62
	23220.611 Operational Supplies	\$ 1,020.00	\$ 1,040.40	\$ 1,061.21	\$ 1,082.43	\$ 1,104.08
	Total 23220 - Community Relations	\$ 21,420.00	\$ 21,848.40	\$ 22,285.37	\$ 22,731.08	\$ 23,185.70
	24100 - Office of the Principal					
	24100.110 Certified Salaries	\$ 105,961.25	\$ 108,080.48	\$ 110,242.08	\$ 112,446.93	\$ 114,695.86
	24100.120 Non-Cert Salaries	\$ 344,403.29	\$ 351,291.36	\$ 358,317.19	\$ 365,483.53	\$ 372,793.20
	24100.211 Soc Sec-Non-Cert	\$ 26,346.85	\$ 26,873.79	\$ 27,411.27	\$ 27,959.49	\$ 28,518.68
	24100.212 Social Security-Cert	\$ 8,106.04	\$ 8,268.16	\$ 8,433.52	\$ 8,602.19	\$ 8,774.23
	24100.214 PERF	\$ 38,573.17	\$ 39,344.63	\$ 40,131.53	\$ 40,934.16	\$ 41,752.84
	24100.216 TRF	\$ 7,947.09	\$ 8,106.04	\$ 8,268.16	\$ 8,433.52	\$ 8,602.19
	24100.221 Group Life Insurance	\$ 360.50	\$ 367.71	\$ 375.06	\$ 382.57	\$ 390.22
	24100.222 Group Health Ins	\$ 61,800.00	\$ 63,654.00	\$ 65,563.62	\$ 67,530.53	\$ 69,556.44
	24100.230 Unemployment Ins	\$ 8,240.00	\$ 8,487.20	\$ 8,656.94	\$ 8,830.08	\$ 9,006.68
	24100.319 Other Prof/Tech Serv	\$ 6,180.00	\$ 6,365.40	\$ 6,492.71	\$ 6,622.56	\$ 6,755.01
	24100.531 Telephone	\$ 7,210.00	\$ 7,426.30	\$ 7,574.83	\$ 7,726.32	\$ 7,880.85
	24100.532 Postage/Machine Rent	\$ 8,755.00	\$ 9,017.65	\$ 9,198.00	\$ 9,381.96	\$ 9,569.60
	24100.550 Printing and Binding	\$ 2,060.00	\$ 2,121.80	\$ 2,164.24	\$ 2,207.52	\$ 2,251.67
	24100.580 Travel	\$ 3,605.00	\$ 3,713.15	\$ 3,787.41	\$ 3,863.16	\$ 3,940.42
	24100.611 Operational Supplies	\$ 8,240.00	\$ 8,404.80	\$ 8,572.90	\$ 8,744.35	\$ 8,919.24
	24100.810 Dues & Fees	\$ 4,120.00	\$ 4,243.60	\$ 4,328.47	\$ 4,415.04	\$ 4,503.34
	24100.875 Awards	\$ 1,030.00	\$ 1,060.90	\$ 1,092.73	\$ 1,125.51	\$ 1,159.27
	Total 24100 - Office of the Principal	\$ 642,938.20	\$ 656,826.96	\$ 670,610.65	\$ 684,689.43	\$ 699,069.78
	25160 - Financial Accounting					
	25160.319 Other Prof/Tech Serv	\$ 12,875.00	\$ 13,261.25	\$ 13,659.09	\$ 14,068.86	\$ 14,490.93
	Total 25160 - Financial Accounting	\$ 12,875.00	\$ 13,261.25	\$ 13,659.09	\$ 14,068.86	\$ 14,490.93
	25191 - Refund of Revenue					
	25191.876 Refunds	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	Total 25191 - Refund of Revenue	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
	25195 - Bank Account Service Charges					
	25195.871 Bank Service Charges	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
	Total 25195 - Bank Account Service Charges	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
	25720 - Recruitment & Placement					
	25720.540 Advertising	\$ -	\$ -	\$ -	\$ -	\$ -
	25720.319 Other Prof/Tech Serv	\$ 10,300.00	\$ 10,609.00	\$ 10,927.27	\$ 11,255.09	\$ 11,592.74
	Total 25720 - Recruitment & Placement	\$ 10,300.00	\$ 10,609.00	\$ 10,927.27	\$ 11,255.09	\$ 11,592.74
	26200 - Maintenance of Buildings					
	26200.120 Non-Cert Salaries	\$ 44,609.70	\$ 45,501.89	\$ 46,411.93	\$ 47,340.17	\$ 48,286.97
	26200.211 Soc Sec-Non-Cert	\$ 3,412.64	\$ 3,480.90	\$ 3,550.52	\$ 3,621.53	\$ 3,693.96
	26200.319 Other Prof/Tech Serv	\$ 15,450.00	\$ 15,913.50	\$ 16,390.91	\$ 16,882.63	\$ 17,389.11
	26200.411 Water & Sewage	\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32	\$ 11,040.81
	26200.412 Removal of Refuse	\$ 3,535.00	\$ 3,570.35	\$ 3,606.05	\$ 3,642.11	\$ 3,678.54
	26200.420 Cleaning Services	\$ 78,780.00	\$ 79,567.80	\$ 80,363.48	\$ 81,167.11	\$ 81,978.78
	26200.430 Repairs & Maint Serv	\$ 20,600.00	\$ 21,012.00	\$ 21,432.24	\$ 21,860.88	\$ 22,298.10
	26200.611 Operational Supplies	\$ 15,530.49	\$ 15,841.10	\$ 16,157.92	\$ 16,481.08	\$ 16,810.70
	26200.621 Electricity	\$ 80,800.00	\$ 81,608.00	\$ 82,424.08	\$ 83,248.32	\$ 84,080.80
	26200.622 Gas Utilities	\$ 10,300.00	\$ 10,506.00	\$ 10,716.12	\$ 10,930.44	\$ 11,149.05
	Total 26200 - Maintenance of Buildings	\$ 283,217.83	\$ 287,405.54	\$ 291,665.32	\$ 295,998.60	\$ 300,406.83
	26300 - Maintenance of Grounds					
	26300.319 Other Prof/Tech Serv	\$ 15,150.00	\$ 15,301.50	\$ 15,454.52	\$ 15,609.06	\$ 15,765.15
	26300.611 Operational Supplies		\$ 3,500.00		\$ 3,500.00	
	Total 26300 - Maintenance of Grounds	\$ 15,150.00	\$ 18,801.50	\$ 15,454.52	\$ 19,109.06	\$ 15,765.15
	26700 - Insurance					
	26700.520 Insurance	\$ 47,470.00	\$ 47,944.70	\$ 48,424.15	\$ 48,908.39	\$ 49,397.47
	26700.525 Official Bond Prem					
	Total 26700 - Insurance	\$ 47,470.00	\$ 47,944.70	\$ 48,424.15	\$ 48,908.39	\$ 49,397.47
	27700 - Contracted Transportation Serv					
	27700.510 Student Transp Serv	\$ 520,000.00	\$ 525,200.00	\$ 530,452.00	\$ 535,756.52	\$ 541,114.09
	Total 27700 - Contracted Transportation Serv	\$ 520,000.00	\$ 525,200.00	\$ 530,452.00	\$ 535,756.52	\$ 541,114.09

31400 - Food Purchases						
31400.614 Food Purchases	\$ 319,700.25	\$ 322,897.25	\$ 326,126.22	\$ 329,387.49	\$ 332,681.36	
Total 31400 - Food Purchases	\$ 319,700.25	\$ 322,897.25	\$ 326,126.22	\$ 329,387.49	\$ 332,681.36	
31900 - Other Food Service						
31900.614 Food Purchases	\$ 18,360.00	\$ 18,727.20	\$ 19,101.74	\$ 19,483.78	\$ 19,873.45	
Total 31900 - Other Food Service	\$ 18,360.00	\$ 18,727.20	\$ 19,101.74	\$ 19,483.78	\$ 19,873.45	
33990. - Extra-Curricular Expenses						
33990.319 Other Prof/Tech Serv	\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32	\$ 11,040.81	
33990.440 Rental Equipment	\$ 255.00	\$ 260.10	\$ 265.30	\$ 270.61	\$ 276.02	
33990.510 Transportation Ser	\$ 11,220.00	\$ 11,444.40	\$ 11,673.29	\$ 11,906.75	\$ 12,144.89	
33990.580 Travel	\$ 13,260.00	\$ 13,525.20	\$ 13,795.70	\$ 14,071.62	\$ 14,353.05	
33990.611 Operational Supplies	\$ 8,160.00	\$ 8,323.20	\$ 8,489.66	\$ 8,659.46	\$ 8,832.65	
33990.614 Food Purchases	\$ 1,020.00	\$ 1,040.40	\$ 1,061.21	\$ 1,082.43	\$ 1,104.08	
33990.660 Uniforms	\$ 5,100.00	\$ 5,202.00	\$ 5,306.04	\$ 5,412.16	\$ 5,520.40	
33990.810 Dues & Fees	\$ 10,200.00	\$ 10,404.00	\$ 10,612.08	\$ 10,824.32	\$ 11,040.81	
Total 33990. - Extra-Curricular Expenses	\$ 59,415.00	\$ 60,603.30	\$ 61,815.37	\$ 63,051.67	\$ 64,312.71	
45500 - Rent of Building & Equipment						
45500.440 Building Rent	\$ 822,857.58	\$ 839,314.73	\$ 856,101.03	\$ 873,223.05	\$ 890,687.51	
45500.440 Equipment Rent	\$ 36,000.00	\$ 37,080.00	\$ 38,192.40	\$ 39,338.17	\$ 40,518.32	
Total 45500 - Rent of Building & Equipment	\$ 858,857.58	\$ 876,394.73	\$ 894,293.43	\$ 912,561.22	\$ 931,205.83	
46000 Moveable Equipment						
46000.730 Equipment	\$ 6,000.00	\$ 6,120.00	\$ 6,242.40	\$ 6,367.25	\$ 6,494.59	
46000.735 Software (Asset)	\$ -	\$ -	\$ -	\$ -	\$ -	
46000.735 Equipment (Asset)	\$ 8,500.00	\$ 20,000.00	\$ 8,843.40	\$ 5,000.00	\$ 5,100.00	
46000.735 Computer Hard. (Asset)	\$ 25,500.00	\$ 5,500.00	\$ 5,610.00	\$ 2,000.00	\$ 2,040.00	
46000.741 Computer Hardware	\$ 3,000.00	\$ 3,060.00	\$ 3,121.20	\$ 3,183.62	\$ 3,247.30	
46000.747 Software	\$ 13,000.00	\$ 13,260.00	\$ 13,525.20	\$ 13,795.70	\$ 14,071.62	
Total 46000 Moveable Equipment	\$ 56,000.00	\$ 47,940.00	\$ 37,342.20	\$ 30,346.58	\$ 30,953.51	
Total Expense	\$ 5,779,085.98	\$ 5,881,852.35	\$ 5,962,361.91	\$ 6,063,640.89	\$ 6,109,139.87	
Net Income	\$ 80,178.97	\$ 62,903.96	\$ 68,165.09	\$ 66,408.40	\$ 39,915.69	